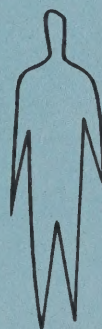
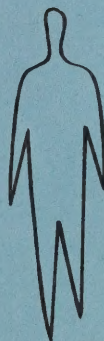
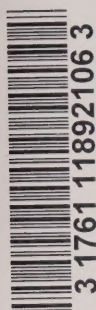


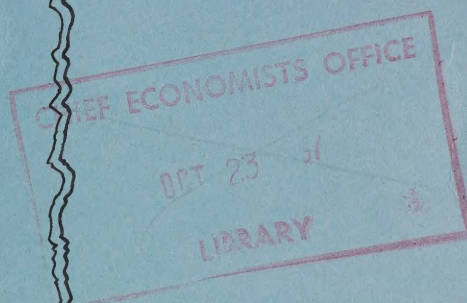
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# The Impact of Layoff and Recall at Ford-Windsor



An examination of the effect  
on employees of the Ford foundry  
and engine plants of the reorganization  
of production facilities arising  
from the Canada-United States  
Automotive Trade Agreement

by C. M. Birch  
and J. B. Gertz

Windsor

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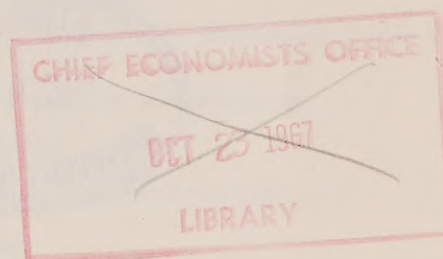
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<b>Clarkson, Stuart W.</b>	<b>Menzies, Reed</b>
<b>Cranston, Wm. H. (Chairman)</b>	<b>Moore, J. H.</b>
<b>Engholm, R. A.</b>	<b>Munro, Chas. G.</b>
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<b>Gibson, J. Douglas</b>	<b>Sefton, L.</b>
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<b>Jones, Oakah L.</b>	<b>Stadelman, Wm. R.</b>
<b>Lane, Prof. S. H.</b>	<b>Thompson, W. Roy</b>
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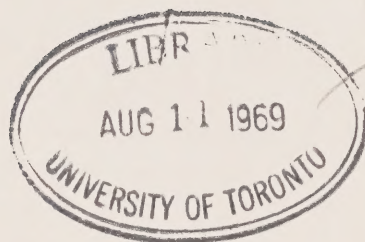
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*by C. M. Birch  
and J. B. Gertz  
of the University of Windsor*





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The final decision as to the selection of relevant material was ours. We accept this responsibility.

C. M. BIRCH  
J. B. GERTZ

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## FOREWORD

*T*he layoff during 1965-66 of 1300 men at the Ford Motor Company's foundry and engine plant at Windsor, Ontario, was one of the most significant dislocations of labour arising from the Canada-United States Automotive Trade Agreement.

It was significant both in terms of numbers of employees affected and duration. Fortunately, however, as Professors C. M. Birch and J. B. Gertz of the University of Windsor's Faculty of Business Administration demonstrate in this study, the element of hardship was limited.

Only a negligible number of laid-off employees chose to avail themselves of allowances under federal-provincial programs for education or skill upgrading. The booming Windsor economy offered many job opportunities for those who did not choose to "sit out" the layoff with the assistance of Unemployment Insurance compensation and Supplemental Unemployment Benefits.

Of the 1,302 temporarily laid off in the summer of 1965 some 1,082 had returned to their jobs by late February, 1966, and several hundred additional new workers were added in March and April.

The Ontario Economic Council initiated this study in co-operation with the Ford Motor Company; the UAW, Canadian region; and the provincial and federal departments and agencies concerned. To each of them, and to researchers Cecil Birch and Blake Gertz we express our appreciation, and commend the findings to all persons concerned with these aspects of government-labour-management relations.

September, 1966.

WILLIAM H. CRANSTON,  
*Chairman, Ontario Economic Council.*



# Introduction

THIS REPORT is a study of events associated with the layoff and recall of 1,302 workers at Ford Motor Company, arising from the reorganization of the engine and foundry plants in Windsor, Ontario. The layoffs, originally scheduled for June, July and August, 1965, occurred at the end of June and in the middle of August. The 1,302 men were all permanent employees, classified as unskilled. There were 493 men in the first layoff,<sup>1</sup> and 809 in the second.<sup>2</sup>

Recalls began in September, and by the end of the month 250 men had gone back to work. These men had vacation time coming to them when laid off in the middle of August. We felt that if these 250 men were included, the value of information gained by interviewing laid-off employees would be reduced appreciably, so we decided to interview only men returning after September 30, 1965.

Of the 1,052 who might have been interviewed (1,302 minus 250) it was not possible to interview 220 because they did not return to Ford. This reduced the potential number of interviews to 832 (1,052 minus 220). We interviewed three-quarters of the 832, that is, 641 men.

The 191 men not interviewed, but re-employed, were divided approximately equally between the first and second layoffs. They were not interviewed for a variety of reasons, mainly because of problems associated with the mechanics of re-employment. For example, 50 men on layoff would be notified to report to Ford at 8:30 Tuesday morning. They might

come or they might not; if they did, it might be 8:30 Tuesday evening, or Wednesday, or Thursday, and at any hour of the day or evening.<sup>3</sup>

The mechanics of recall are not as simple as they may appear. Administrative, engineering, and training problems associated with new equipment, make it difficult to set up monthly or even weekly schedules for recalling workers. The company might know on a Friday afternoon, for example, that they could recall another 50 men the following Tuesday, and the men would be so notified. They might show up at some odd hour Tuesday, Wednesday, or Thursday, or not at all. Further, the men themselves might not be in control of the circumstances deciding their appearance at Ford. They might be out of town when the recall came, or they could be working elsewhere, and find it difficult to get time off to come in to see whether or not they were really going to be re-employed. While the whole layoff and recall procedure might appear to be routine, it was, in fact, humanly impossible to make it a neat, tidy operation.

When an individual was recalled, he was processed for re-employment at the Ford personnel office, and then he was interviewed by our representatives in facilities provided by the company. We asked questions nos. 6 through 37, and question no. 46 (Appendix B-1). In some cases answers were refused, but the great majority of men were most co-operative and answered all queries. When the same question was asked twice, we sometimes received two different answers, but this is usual in personal interviewing.<sup>4</sup>

Prior to questioning, we had obtained from Ford the name, address, birth date,

marital status and seniority of all 1,302 men. After interviewing, we obtained from the National Employment Service (NES), and the Unemployment Insurance Commission (UIC), information on unemployment compensation and supplemental unemployment benefits for each of the 1,302, and last referral given by NES for 66 of the 220 men who did not return to Ford.<sup>5</sup>

Our assignment from the Ontario Economic Council was to ascertain the impact of the Ford experience on a section of its employees, with respect to who they were, what happened to them, how did they live, and did they get a job back. This Report relates what occurred.

CHAPTER I presents the background to the Ford Motor Company's decision to spend \$50 million on machinery and equipment for the engine and foundry plants in Windsor, Ontario. This background is drawn from the Bladen Report (1961), the tax rebate arrangement established in 1962 by the Federal Government and carried on in 1963, and the Canada-United States Automotive Trade Agreement (1965).

Chapter II indicates the importance of the decision to the company in terms of the number of men affected, and in terms of the reorganization of physical facilities.

Chapters III, IV, and V describe the layoff and recall of 1,302 unskilled workers in detail.

<sup>1</sup> Several hundred university students were employed in May for about six weeks, and they too were laid off at the end of June, and not recalled. They are not counted in the layoffs.

<sup>2</sup> Actually, 86 men were laid off twice—first in June, then recalled, and laid off again in August. Rather than count them twice, we subtracted them from the second layoff.

<sup>3</sup> See Chapter IV.

<sup>4</sup> For example, the men were asked if they had been gainfully employed while laid off (question No. 7, Appendix B-1), and later in question No. 37, they were asked if they had found temporary work; the number of "yes's" in the two questions do not match. In this Report we have ignored the answers to question No. 37.

<sup>5</sup> The company did not participate in the Transitional Assistance Benefits (TAB) plan of the Federal Government. For a summary of TAB see Appendix E.



# Summary and Findings

## 1. Description of the layoffs

The first layoff of 493 men occurred at the end of June, 1965; the second layoff of 809 men took place in the middle of August. Two-thirds of the personnel involved in the first layoff were re-employed at Ford after being off work five to seven months; 93% of those in the second layoff were re-employed about four months after their layoff.

The layoffs may be described also in terms of those who returned and those who did not return to Ford.

## 2. Experiences of the laid-off men

Of the 1,082 men who returned, 267 did not use unemployment compensation (UC) or supplemental unemployment benefits (SUB) while laid off, either because they were working or because their layoff period was short.

There were 327 men who averaged \$68 a week in combined UC and SUB benefits while drawing benefits; 144 had \$76 a week in combined UC and SUB benefits. The remainder (about 30%) had various combinations of UC and SUB.

The men in the first layoff drew benefits for seven or eight weeks on the average, and virtually all who used benefits exhausted them half way through the layoff period. Those in the second layoff drew benefits for 11 or 12 weeks, and most of them found their benefits lasting for the full layoff period since they also were entitled to a paid vacation of two or three weeks.

While the layoff period was disruptive and often difficult, there was little evidence of extreme hardship, as measured by children leaving school, families losing homes or selling household furniture, or appeals to the city for assistance. In the second layoff, those affected lived for the most part on UC, SUB, and past savings; the men in the first layoff also relied on these resources, but most importantly they found temporary work. At least 90% of those in the first layoff were gainfully employed while away from Ford. About 15% of those in the second layoff obtained temporary work—probably all who active-

Characteristic	First Layoff (493 men)	Second Layoff (809 men)
1. Living in Windsor	63%	78%
2. Age	88% under 35	93%, 35 and older
3. Marital status	42% single	20% single
4. Seniority	95% two years' or less	92%, 17 years' or more
5. Pay class	79% earning \$2.44, \$2.49 or \$2.54 per hour	87% earning \$2.44, \$2.49 or \$2.54 per hour
6. Length of layoff	5, 6 or 7 months	4 months or less
7. Number returning	326 (i.e. 66%)	786 (i.e. 93%)

Characteristic	Returned (1,082 men)	Not Returned (220 men)
1. Living in Windsor	72% of 1,082.	75% of 220.
2. Age	30% of the 1,082 men were under 35; (67% of the men under 35 returned).	72% of the 220 men were under 35.
3. Marital status	24% of the 1,082 were single; (70% of single and 88% of married men returned).	50% of the 220 were single.
4. Seniority	29% of the 1,082 had 2 years' or less; 64%, 17 years' or more; (65% of 2 years' or less returned; 94% of 17 years' or more returned).	75% of the 220 had two years' or less; 20% 17 years' or more.
5. Pay class	86% of those earning \$2.44 to \$2.54 per hr. when laid off returned.	76 men earned \$2.39 per hr. or less at layoff, 61 of them did not return.
6. Temporary job	90% of first layoff found a job early in their layoff—half of them had a job for full length of layoff; 15% of second layoff had a temporary job.	
7. Drew both UC and SUB benefits	25% of first layoff returning drew benefits; 72% of second.	10% of first layoff not returning; 30% of second.
8. Drew neither UC nor SUB benefits	45% of first layoff returning did not draw any benefits; 15% of second	70% of first layoff not returning; 40% of second.
9. UC	50% of first layoff returning drew benefits, for an average of 7 or 8 weeks; 75% of second drew benefits for an average of 11 or 12 weeks.	25 to 30% of non-returnees drew benefits; average length of draw was one month.
10. SUB	28% of first layoff returning—for 7 or 8 weeks; 80% of second for 11 or 12 weeks.	13% of first layoff and 60% of second drew SUB; drew for 1 month if first layoff, 3 months if second.



ly sought work. At least half the men who found employment held their jobs for the full layoff period.

Most of the 220 who did not return to Ford went to work right away, without using either UC or SUB. Some of the men left Windsor, a small number retired, but most found jobs in the immediate area. On the basis of last referral by the National Employment Service, they found work as labourers in other auto plants, in feeder or parts plants, or in related companies.

### 3. Findings

a. It may seem obvious to say that nothing reduces technological unemployment in one occupational or industrial area quite as much as a labour shortage in a competitive occupational or industrial area. Yet, however self-evident it may be, this was an economic fact of life during the layoff period, and it had great relevance to the experiences of the laid-off workers. The availability of alternative temporary work was of major importance in accounting for the lack of resort to extreme economic measures by the laid-off men.

b. Substantial reorganization of production facilities, and the introduction of modern machinery and equipment, challenged the ingenuity of management. Theoretically, it should have been possible to schedule layoffs and recalls in an orderly manner. In practice, it proved impossible. The recall schedules were especially diffi-

cult to plan, so much so that they were altered almost daily. As it turned out, the employees were on layoff for a shorter time than had been anticipated. Late April of 1966 was the estimated date of last recall. In fact, all were back by late February, and several hundred new men were hired in March and April. The production schedules tentatively established in September were not only met, but output exceeded expectations substantially for the following seven or eight months.

c. There is some evidence that the men are more content in their new environment. This attitude may change, especially if it is due only to the newness of the surroundings, or to the fact of returning to permanent employment. However, there is more than a possibility that the efficiency of the new operations has given the workers a sense of stability and accomplishment which formerly had been difficult to achieve. When 186 varieties of engines run on an assembly line, bottlenecks are inevitable, and therefore wasted time and slack periods are common. This in turn results in disinterest among the workers; but when the production operation is efficient and well-run, this exerts a positive influence on employees.

d. The experiences of the Ford workers may well be unique, and not duplicated as non-automotive plants modernize, reorganize and automate. The tremendous demand for automobiles, arising out of a prosperous economy, and especially the sizeable growth in demand generated by

the Canada-United States Automotive Trade Agreement, made it possible in late 1965 and early 1966 to call back relatively quickly all those laid off at Ford, and to hire several hundred additional workers as well. But what if demand had been stable or declining? The high seniority workers would have been out of work for a longer period, using up more UC and SUB benefits, while the low seniority workers would have faced an indefinite layoff with benefits exhausted long before the termination of their layoff.

As it happened however, there were numerous openings in local industry for unskilled workers. But in less prosperous times their economic experiences might well have been quite different. When temporary jobs are available, laid-off men are not inclined to take training programs. Whether those workers would have participated in such programs under other circumstances is speculation. At least it is reasonable to think that ordinarily a training program would be needed, not so much for the workers who will be recalled—Ford has shown the employer can retrain the workers as they are recalled—but for those who will not be recalled for an indefinite time. The men at Ford did not need to develop job mobility, except to a very limited extent. Ordinarily such development would be of critical importance. One fact which emerged was that the older men (in sharp contrast to the younger men) were not hired into production jobs in other factories.



# Events Leading to Ford Decision to Reorganize Production Facilities

CANADA'S LONG-STANDING imbalance of motor vehicle trade with the United States and the rest of the world, and the relatively less efficient operation of the Canadian automobile industry represent the major problems which finally led to the Canada-United States Automotive Trade Agreement in 1965.

A number of events preceded this agreement. In August of 1960, a Royal Commission, under the chairmanship of Vincent Bladen, Dean of the College of Arts at the University of Toronto, was established to prepare an economic analysis of the Canadian automobile industry. A decade earlier, under the pressure of strong domestic demand, Canada had become a net importer of motor vehicles for the first time in the history of the Canadian industry. Three years after that, in 1953, Canadian vehicle production was 481,000 units (the high point for the 1950's as it turned out), with exports and imports about balancing each other. By 1960 exports had dropped by two-thirds and imports had tripled,<sup>1</sup> with imports accounting for one-third of all motor vehicles sold in Canada.

Combined with the adverse trade balance, and indeed partly responsible for it (at least as far as trade with the United States was concerned) was the inability of the Canadian industry to produce on a scale large enough to reap the benefits of mass production.

As Dean Bladen stated in the Report: "In processes for which the optimum scale of production is very high, such as large body stampings and automatic transmissions, even total Canadian requirements would not warrant production in Canada."<sup>2</sup> Considerations about optimum scale of operations were and are becoming increasingly important through the 1960's.

More and more does the technology of the industry demand expensive and specialized machinery. This, in turn, requires increasing volume before low unit costs can be achieved.

Many proposals have been made about the problem of high unit costs because of low volume. Most of them are patently unworkable. One typical suggestion is to "give" the Canadian market to one producer, or at least to one model of a few makes, such as one model of Ford, one of Chevrolet, and one of Plymouth. Dean Bladen did, in fact, listen to testimony about the advantages of the hypothetical "Canadian car". The concept may be interpreted to imply a "Volkswagen approach" whereby large volume can be produced, because there is only one model, and because the one basic style is unchanged for a number of years. However, the realities of Canadian economic, business and political life are thought to make such a proposal impractical, since people appear to want variety and are willing to pay for it.

But the goal — one plant producing large volume with little variety—certainly has merit from a unit cost point of view. Thus, while it is not practical to establish a monopoly to produce a "people's car", perhaps something can be done to reach the desirable goal of lower unit costs (and hopefully lower selling prices) while maintaining satisfactory profit margins. Obviously, all this can be achieved only in the setting of a larger Canadian market than currently exists or can be expected to exist in the future. A North American market rather than a purely Canadian market, would appear to be a desirable alternative.

On this score Dean Bladen was attracted by the submission of the Ford Motor Company of Canada, recommending exploration of proposals for closer integration of the productive facilities of the Canadian and American manufacturers.

Ford said in its submission that such integration "could provide Canadian producers with the full-cost benefits of U.S. mass production which could then be passed on to Canadian consumers. Adequately controlled by intergovernment agreement to insure continued growth of the Canadian industry relative to the Canadian economy, this arrangement could result in important benefits to Canadian consumers through lower prices."<sup>3</sup>

The recommendations of the Report were unilateral rather than bilateral. The recommendation that caught the imagination of the government seemed to stem from separate submissions. One of these proposed that Canadian production should be the same share of North American production as sales in Canada were of North American sales. At the time, Canadian production was about four per cent of North American production, while sales in Canada ran close to eight per cent. These two statistics dramatically suggested a goal — production to match sales. The other submission closely related to it was "... to allow credit for Canadian content purposes for parts made in Canada but used in American production. Our . . . industry might well reduce the number of parts they are making but gain greatly increased volume on the remainder . . ."<sup>4</sup>

These two concepts were combined to form the Commission's most striking recommendation, namely that cars and parts be imported duty free provided Canadian content requirements be met, or in effect, that Canadian content be (e.g.) 60%.<sup>5</sup> The conviction was that the Canadian industry would suffer from the disadvantages of low-volume production as long as it was geared only to the Canadian market. But if Canadian manufacturers could produce for a wider market and at the same time had duty-free access to the high volume low-cost producers of the United States, then they might break through the limits imposed by low-volume production.<sup>6</sup>

The next event after the publication of the Royal Commission Report in 1961 was the action taken by the Federal Government to allow rebate of import

<sup>1</sup> See Report, *Royal Commission on the Automotive Industry*, April, 1961 (Ottawa) p. 11. (Often called "The Bladen Report").

<sup>2</sup> *Ibid.*, p. 24.

<sup>3</sup> *Ibid.*, p. 41.

<sup>4</sup> *Ibid.*, p. 46.

<sup>5</sup> *Ibid.*, pp. 58 ff.

<sup>6</sup> For a critical evaluation of the Report see H. G. Johnson, "The Bladen Plan for Increased Production of the Canadian Automotive Industry", *The Canadian Journal of Economics and Political Science*, Vol. 29 No. 2 (May 1963) pp. 212-38.

duties on transmissions and engine blocks if exports increased. For every dollar of Canadian content of exports of motor vehicle parts in excess of the Canadian content of exports of parts during the base period from November 1, 1961 to October 31, 1962, duties were to be remitted on a dollar of transmission or engine imports. The plan was so effective that it was extended in October 1963 by a new federal administration. Tariffs on all imports of motor vehicles and original equipment parts were to be remitted to the extent that the Canadian content of exports of motor vehicles and parts of the company in question exceeded that of the base period, November 1, 1961 to October 31, 1962.

The tax rebate plan was the forerunner of the Canada-United States Automotive Trade Agreement of 1965. This 1965 Agreement came as a surprise to many people who had forecast that the tax rebate would result in the imposition of countervailing duties by the United States government.<sup>7</sup>

A proposal like the tax rebate arrangement may be regarded as an export subsidy. It was condemned by many in the United States on political grounds as a violation of the General Agreement on Tariffs and Trade (GATT). It was condemned also by some people in both the United States and Canada as thinly-disguised (and probably unrecognized) protectionism.<sup>8</sup> The alleged violation was never tested in American courts but there is fairly widespread conviction that Ameri-

can parts manufacturers would have been successful in persuading the American government to retaliate, for example, by higher tariffs, if the tax rebate had continued in operation. But in 1965, it was replaced by the Canada-United States Automotive Trade Agreement.

The Agreement was signed in January, 1965 by the Prime Minister of Canada and the President of the United States. It went into effect at once in Canada, but it was not until the following October that the Agreement was approved by the Congress of the United States and made retroactive to January 19, 1965. Under the pact, Canadian produced vehicles and parts are allowed into the United States duty free, while Canada permits "qualified" Canadian automotive manufacturers to import vehicles and parts without duty if certain conditions are met.

In this Report we are interested in one consequence of the Automotive Trade Agreement — the decision of the Ford Motor Company of Canada to spend \$50 million reorganizing its engine and foundry operations at Windsor, Ontario, with a view to producing a greater volume of a more limited line of automobile engines.

Specifically, Canadian manufacturers must (1) continue to spend as much in Canada on auto production as in the base year (the 1964 model; August 1, 1963 to July 31, 1964), (2) maintain a ratio of the value of production of vehicles and parts in Canada to sales equal to that of the base year, (3) increase spending on Canadian

vehicles and parts production.

The goal, from Canada's view, is to raise Canada's share of North American automotive production from four per cent prevailing prior to the Agreement, to eight per cent, i.e. the same as Canada's share of sales. This goal is to be reached through rationalization, more specialization, greater efficiency, and leading, in some views, to Canadian car prices more nearly in line with U.S. prices. Approximately \$250 million of trade deficit will be wiped out by the end of 1967 if the Canadian producers expand according to their agreements with the Canadian government.

Opinions regarding the Agreement have been many and varied, ranging from "a \$50 million a year give-away to foreign-owned manufacturers" to "the most important piece of Canadian legislation in this century", with plenty of comments in between, many of them attacking the secrecy surrounding the government-company arrangements as to how much sales and production are to increase.<sup>9</sup> For the most part, the criticisms have been directed to methods rather than purpose, for the incontrovertible fact is that great variety with small scale is not economical. For example, when Ford makes sixty models of six different cars at its Oakville plant, but only two or three models are assembled at any one plant in the U.S., or when 186 models of engines are produced instead of eight, then the savings potential through rationalization is great.

<sup>9</sup> A few illustrations:

W. G. Phillips in the *Windsor Star* January 26, 1965; R. A. Matthews, "The Auto Plan", *The Canadian Forum*, May 1965, pp. 30-31; R. D. Brown, "Bilateral Chariot", *The Canadian Forum*, December 1965, pp. 197-99; A. MacKenzie in the *Windsor Star*, December 31, 1965.

<sup>7</sup> See for example P. Wonnacott, "Canadian Automotive Protection: Content Provisions, The Bladen Plan, and Recent Tariff Changes", *The Canadian Journal of Economics and Political Science*, XXVI, No. 1 (Feb. 1965), pp. 115-16.

<sup>8</sup> See H. G. Johnson, "The New Tariff for the Automotive Industry", *The Business Quarterly*, Vol. 29, No. 1 (Spring 1964) pp. 43-57; A. Deutsch, "Roll Out the Tariff", *Queen's Quarterly*, Vol. LXXII, No. 1 (Spring 1965), pp. 169-177.



# Reorganization of Plant Equipment and Personnel

FORD MOTOR COMPANY (U.S.) was launched at Detroit, Michigan, on June 16, 1903, and on August 17 of the following year, Ford Motor Company of Canada was established at Windsor, with initially subscribed shareholder capital of \$125,000. In that first year the Canadian company produced 117 automobiles, 107 of which were two cylinder Model C's; ten were four cylinder Model B's which developed twenty horsepower. In 1907, production totaled 327 cars; 486 in 1909. By 1917, output exceeded 57,000 units annually. The company reached a production level of 100,000 for the first time in 1926. In March of 1931, the one-millionth Canadian Ford came off the assembly line. By 1959, 3.5 million cars and trucks had been produced; by the end of 1965, a total of 4.6 million vehicles.

Ford of Canada began operations in 1904 with seventeen employees; by 1911 over 1,000 were on the payroll; the total for 1959 was 19,336. Current employment (May 1966) is approximately 11,000 hourly and 4,000 salaried employees. With the completion of the new assembly plant in St. Thomas, Ontario, programmed for next year, the total work force is expected to increase by not less than 2,500.

By 1917, the Windsor plant contained over 300,000 square feet of manufacturing area, and cars were also being assembled at London, Toronto, Montreal, Winnipeg, and Saint John. In 1935, an assembly plant was opened in Vancouver. In the early days of the company, when so many parts of the car were imported, small assembly plants were, perhaps, economically feasible, but with the development of mass production, assembly-line-type of output, it became necessary to consolidate facilities. Outside Windsor the only assembly plant to operate after World War II was located in Vancouver, and it too was shut down by 1948, leaving Windsor as the sole source of Canadian production.

But the demand for cars was rising, reflecting the rising standard of living of the Canadian people: in 1946, the industry

—resuming civilian production, which had been suspended in 1942—produced 92,000 cars (plus 80,000 trucks); in 1948, Ford production alone exceeded 100,000 units. To meet the increasing demand, Ford began a vigorous modernization program after World War II. In 1950, the Windsor powerhouse was expanded at a cost of \$7 million. In May 1953, a new final assembly plant was opened at Oakville, Ontario, and assembly ceased at Windsor. The latter plant was converted to the manufacture of automobile engines, while other Windsor production facilities remained basically unchanged. Approximately 4,438 hourly-rated people are currently employed in Ford-Windsor.

To satisfy a diversified, though limited market, the Windsor plant turned out seven different engine blocks which, with numerous variations in block bore, axle ratio, carburetion, etc., could be made up into 186 varieties of engines. Obviously, long production runs were out of the question under these conditions and, as might be expected, the plant was filled with over 2,000 multi-purpose metal-working machines: grinders, drills, broaches, boring machines and the like which, collectively, were rather low in productivity compared to the automated, integrated production line of, say, the Ford engine plant at Cleveland, Ohio. Under these conditions, the Windsor engine plant operating at capacity, turned out about 900 engines per day. Before the changeover to automated production, average hourly-rated employment in the foundry was 925; in the engine plant about 1,100.

As a result of the Canada-United States Automotive Trade Agreement, the entire North American market for cars and original equipment opened up to Canadian producers, and Ford decided to make Windsor a major engine plant, embodying the latest in high-speed automated (continuous, integrated and electronically controlled) metal-working machinery.

In June of 1965, the plant produced its

last engine with the old equipment, and the reorganization of the facility began. During the shutdown (throughout this period Canadian Fords were built with U.S.-supplied engines) 900 of 2,008 pieces of equipment were removed from the plant and disposed of, while 225 new pieces were brought in. It should be noted that there is limited significance in any comparison of numbers here; ten drill presses boring a total of ten holes might be replaced with one new unit boring, say, fifteen holes.

After the changeover, employment in the foundry, where the blocks (and certain other components) are cast, rose to 1,079 hourly-rated personnel, an increase of 154. By June of 1966, employment in the engine plant totaled 1,600, up 500 over the pre-reorganizational figure of 1,100. Since there were organizational changes in the latter facility, exact comparison on a before-and-after basis is difficult, and it should be understood that the figures are subject to some modification.

Revamping production methods brought changes in the nature of the work performed by many of the hourly-rated personnel. Less physical effort is needed, but in many instances more responsibility is involved, or a greater degree of alertness is required. Many of the workers had to be retrained; operative employees were retrained on the job; 100 maintenance people went through a formal training program lasting, in some cases, several months. Management reports that more workers see themselves as technicians rather than machine operators; foremen report fewer grievances and state that their job has become less difficult as machines take over more and more of the work and increasingly control the work pace. Automation has given a new status to the hourly-rated employees, with a potentially great effect on worker morale.

The product has changed significantly. Instead of seven engine blocks, the plant now produces one (the #289 CID, a V-8 type). Instead of 186 varieties (built out of the seven blocks), there are now assembled only eight, and output has doubled to 1,800 engines per day.<sup>1</sup> More than 50% of all production is for export. Engines produced in Windsor are used in many of the Ford cars assembled in the United States. With this new engine plant Canada has acquired one of the most modern facilities of its kind in North America.

<sup>1</sup> Ford officials preferred not to release production figures; the above estimates of production were supplied by Mr. Hugh Peacock, Research Director, Canadian Region, UAW.

# The Total Layoff — 1,302 Men

IN JUNE AND AUGUST of 1965, the Ford Motor Company of Canada laid off 1,391 of its employees in Windsor, Ontario, while new equipment was being installed and production facilities reorganized in the foundry and engine plants.<sup>1</sup> This Report is concerned with 1,302 of the 1,391 employees—the difference of 89 is accounted for by 86 men laid off twice, and three men for whom the information we had was invalid and could not be used. The men laid off twice are included in the first layoff, and not the second, because they were low seniority employees.

The number 1,302 divides into 493 on the first layoff, and 809 on the second layoff. For the June layoff of 493, a total of 167 never returned to Ford while 326 did return. Of the 326, two hundred and thirty-four were interviewed at recall time and were asked the questions indicated in the questionnaire (Appendix B-1). For the August layoff of 809, all but 53 returned to Ford. Of the 756 who returned, 407 were interviewed. Most (i.e. 250) of those not interviewed could scarcely be called "laid off" since they had vacation time coming to them and were re-employed during September. We felt that these 250 would unduly influence the relative importance of answers given, so we concentrated on returning employees after the end of September. This means we interviewed 407 of a possible 506. (See Appendix A).

<sup>1</sup> While only the engine and foundry operations were involved directly in modernization, employees in other plants were affected because of seniority provisions of the Labour-Management agreement. Thus, only about half of the laid-off employees were engine and foundry workers—the rest were "bumped" off their jobs by higher seniority engine and foundry employees. Altogether about 700 unskilled men bumped lower seniority people in other departments and plants. Employment of unskilled workers in the engine plant went to zero, but foundry employment declined to about 200 since many operations continued during the changeover. In addition, more than 300 skilled men in the engine plant kept their jobs (or had alternative jobs) during the changeover (e.g. worked in maintenance, or assisted in the changeover itself).

Tables 1 through 20 which follow, examine the total layoff from four points of view:

1. The number of men involved in the first layoff, in the second layoff, and the total of the two layoffs.
2. The number of employees who returned, and who did not return (the total of both layoffs).
3. Those who returned and those who

Total interviewed (laid off, returned)	
First layoff.....	234
Second layoff.....	407
	<u>641</u>
Total laid off and returned	
First layoff.....	326
Second layoff.....	756
	<u>1,082</u>
Total laid off and not returned	
First layoff.....	167
Second layoff.....	53
	<u>220</u>
Total layoff.....	<u>1,302</u>

did not return from the first layoff.

4. Those who returned and those who did not return from the second layoff.

**Table 1. Residence of All Laid-Off Employees**

Place of Residence	First Layoff		Second Layoff		Total Layoff	
	Number	Per cent	Number	Per cent	Number	Per cent
Windsor	311	63.1	631	78.0	942	72.4
Outside Windsor	182	36.9	178	22.0	360	27.6
Total	493	100.0	809	100.0	1,302	100.0

About 72% of the 1,302 laid-off employees lived in Windsor, with a lower proportion for the first layoff than for the second—63% of the first layoff and 78% of the second. The difference is accounted for largely by the tendency of older people to

live close to their work because of their high seniority, and since the second layoff was made up mainly of older workers there is a higher proportion of Windsor residents in the second layoff than in the first.

**Table 2. Age of All Laid-Off Employees**

Age Group	First Layoff		Second Layoff		Total Layoff	
	Number	Per cent	Number	Per cent	Number	Per cent
15 – 19	10	2.0	1	0.1	11	0.8
20 – 24	179	36.3	8	1.0	187	14.4
25 – 34	243	49.3	47	5.8	290	22.3
35 – 44	59	12.0	180	22.2	239	18.4
45 – 54	2	0.4	243	30.0	245	18.8
55 – 64	0	0.0	261	32.3	261	20.0
65 – 69	0	0.0	69	8.6	69	5.3
Total	493	100.0	809	100.0	1,302	100.0

About 55% were under 45 years of age. However, on the first layoff virtually everyone was under 45, while on the second layoff more than 70% were 45 or over. We can anticipate that, since layoff

was primarily by seniority, the first layoff was low seniority people (and therefore young workers), and the second was higher seniority (and older) employees.



**Table 3. Marital Status of All Laid-Off Employees**

Marital Status	First Layoff		Second Layoff		Total Layoff	
	Number	Per cent	Number	Per cent	Number	Per cent
Single	210	42.6	162	20.0	372	28.6
Married	277	56.2	619	76.5	896	68.8
W, D, S*	6	1.2	28	3.5	34	2.6
Total	493	100.0	809	100.0	1,302	100.0

\*Widowed, Divorced, Separated.

**Table 4. Seniority of All Laid-Off Employees**

Number of Years	First Layoff		Second Layoff		Total Layoff	
	Number	Per cent	Number	Per cent	Number	Per cent
Less than one	221	44.8	0	0.0	221	17.0
1 to 2	248	50.3	6	0.7	254	19.5
More than 2,						
less than 17	23	4.7	65	8.0	88	6.8
17 or more	1	0.2	738	91.3	739	56.7
Total	493	100.0	809	100.0	1,302	100.0

**Table 5. Pay Classification of All Laid-Off Employees—1,302 Men (As of Date of Layoff)**

\$ per Hour	First Layoff		Second Layoff		Total Layoff	
	Number	Per cent	Number	Per cent	Number	Per cent
Less than 2.34	1	0.2	6	0.7	7	0.5
2.34	51	10.3	0	0.0	51	3.9
2.39	17	3.5	1	0.1	18	1.4
2.44	157	31.8	228	28.2	385	29.6
2.49	84	17.0	169	20.9	253	19.4
2.54	148	30.0	310	38.3	458	35.2
2.59	19	3.9	59	7.3	78	6.0
2.64	15	3.1	33	4.1	48	3.7
More than 2.64.	1	0.2	3	0.4	4	0.3
Total	493	100.0	809	100.0	1,302	100.0

**Table 6. Residence of All Laid-Off Employees**

Place of Residence	Total Laid Off		Total Returned		Total Not Returned	
	Number	Per cent	Number	Per cent	Number	Per cent
Windsor	942	72.4	778	71.9	164	74.5
Outside Windsor	360	27.6	304	28.1	56	25.5
Total	1,302	100.0	1,082	100.0	220	100.0

Thirty per cent of the employees laid off were unmarried. Single men constituted 42% of the first layoff, and 20% of the second layoff. However, these differences are a matter of age, rather than first or second layoff, and marital status proved not to be an important variable for this study.

As expected, there is a significant contrast in the two layoffs with respect to seniority. For the first layoff of 493 men, 469 of them (or over 95%) had two years' seniority or less; for the second layoff of 809 men more than 90% had 17 years' or more seniority; in the total of 1,302 over 55% were very high seniority employees.

All the laid-off employees were unskilled and in the pay range of \$2.50 per hour plus or minus 20c. Actually, on both layoffs most of the employees were earning either \$2.44, \$2.49, or \$2.54 per hour. Eighty per cent of the first layoff, and 90% of the second were in one of these three pay categories. Fourteen per cent of the laid-off employees in the first layoff earned \$2.39 or less while among laid-off employees in the second layoff the corresponding percentage was only 0.8.

There is no correlation between living in Windsor or outside Windsor on the one hand, and returning and not returning to work at Ford, on the other hand. For example, 72% of 1,302 lived in metropolitan Windsor, and 72% of those who returned also lived in Windsor, while just over 74% of those who did not return lived in Windsor.

**Table 7. Age of All Laid-Off Employees**

The age distribution of employees who returned is quite close to the age distribution of all laid-off employees, but insofar as there are differences they show up in the group who did not return. Over 70% of all 220 who did not return range in age from 20 to 34, reflecting job opportunities for younger men, and especially a lack of seniority investment at Ford. On the other hand, while 159 men under 35 did not return, there were 329 men under 35 who did return.

Age Group	Total Laid Off		Total Returned		Total Not Returned	
	Number	Per cent	Number	Per cent	Number	Per cent
15 - 19	11	0.8	9	0.8	2	0.9
20 - 24	187	14.4	113	10.4	74	33.7
25 - 34	290	22.3	207	19.1	83	37.8
35 - 44	239	18.4	221	20.4	18	8.2
45 - 54	245	18.8	235	21.8	10	4.5
55 - 64	261	20.0	249	23.1	12	5.4
65 - 69	69	5.3	48	4.4	21	9.5
Total	1,302	100.0	1,082	100.0	220	100.0

**Table 8. Percentage of Age Groups**

The attrition among laid-off employees was highest among the young, e.g., 40% of all employees in the age bracket 20-24 did not return, and nearly 30% aged 25-34 did not return. Combining this information with the previous Table we see that 70% of those who did not return were in the age range 20-34, but of all those laid off who were 20-34 years old, only one-third of them did not return (i.e., 477 laid-off workers were in the age group 20-34 and 33% of them did not return).

Age Group	Number Laid Off	Per cent Who Returned	Per cent Who Did Not Return
15 - 19	11	81.8	18.2
20 - 24	187	60.4	39.6
25 - 34	290	71.4	28.6
35 - 44	239	92.4	7.6
45 - 54	245	95.9	4.1
55 - 64	261	95.4	4.6
65 - 69	69	69.6	30.4
Total	1,302	83.1	16.9

**Table 9. Marital Status of All Laid-Off Employees**

More than 28% of those laid off were single, but 50% of those who did not return were single. From another point of view, 372 single men were laid off, and 110 did not return; while of 896 married men laid off, 110 did not return. However, conditions favouring marriage (such as age), in turn raising other important considerations (such as seniority), are the basic factors relating to returning or not returning, and marital status is only indirectly important.

Marital Status	Total Laid Off		Total Returned		Total Not Returned	
	Number	Per cent	Number	Per cent	Number	Per cent
Single	372	28.6	262	24.3	110	50.0
Married	896	68.8	786	72.7	110	50.0
W, D, S*	34	2.6	34	3.0	0	0.0
Total	1,302	100.0	1,082	100.0	220	100.0

\*Widowed, Divorced, Separated

**Table 10. Seniority of All Laid-Off Employees**

About 57% of those laid off had 17 or more years' seniority, while 64% of those who returned had this much seniority. The implication is that a disproportionate number of low seniority people did not return. In fact, the last column of the Table shows that 75% of those who did not return had two years' seniority or less. On the other hand, about two-thirds (311 out of 475) of those with two years' seniority or less did return.

Number of Years	Total Laid Off		Total Returned		Total Not Returned	
	Number	Per cent	Number	Per cent	Number	Per cent
Less than one	221	17.0	120	11.0	101	46.0
1 to 2	254	19.5	191	17.7	63	28.6
More than 2, less than 17	88	6.8	77	7.1	11	5.0
17 or more	739	56.7	694	64.2	45	20.4
Total	1,302	100.0	1,082	100.0	220	100.0



**Table 11. Percentage of Seniority Groups**

Number of Years' Seniority	Number Laid Off	Per cent Who Returned	Per cent Who Did Not Return
Less than one	221	54.3	45.7
1 to 2	254	75.2	24.8
More than 2, less than 17	88	87.5	12.5
17 or more	739	93.9	6.1
Total	1,302	83.1	16.9

**Table 12. Pay Classification of All Laid-Off Employees (As of Date of Layoff)**

Table 5 showed that 84% of all laid-off employees were earning \$2.49 per hour plus or minus 5c. Table 12 indicates that about 87% of those who returned were in that pay range and 70% of those who did not return were in the same range. This implies some tendency for the employees in the lower pay brackets not to return. For example, only 4% of those laid off were earning \$2.34 an hour, but 20% of those who did not return were earning \$2.34. Of the 51 who were getting \$2.34 an hour at layoff time, 43 of them (over 80%) did not return.

\$ per Hour	Total Laid Off		Total Returned		Total Not Returned	
	Number	Per cent	Number	Per cent	Number	Per cent
Less than 2.34	7	0.5	3	0.2	4	1.8
2.34	51	3.9	8	0.7	43	19.6
2.39	18	1.4	4	0.3	14	6.3
2.44	385	29.6	313	29.0	72	32.8
2.49	253	19.4	225	20.8	28	12.7
2.54	458	35.2	405	37.5	53	24.1
2.59	78	6.0	76	7.1	2	0.9
2.64	48	3.7	44	4.1	4	1.8
More than 2.64	4	0.3	4	0.3	0	0.0
Total	1,302	100.0	1,082	100.0	220	100.0

**Table 13. Age Distribution of Laid-Off Employees, First Layoff—493 Men**

There were 493 men laid off at the end of June, 1965 and of these 326 returned to Ford while 167 were recalled but did not return, i.e., for the first layoff two-thirds of the men returned.

There was some tendency in the first layoff for the youngest workers not to return. Thirty-six per cent of those laid off were 20-24 years old, but 44% of those who did not return were 20-24. However, 60% of this age group (105 of 179) in the first layoff did return. Similarly, the majority of every age group did return.

Age Group	Laid Off		Returned		Not Returned	
	Number	Per cent	Number	Per cent	Number	Per cent
15 - 19	10	2.0	8	2.4	2	1.2
20 - 24	179	36.3	105	32.2	74	44.4
25 - 34	243	49.3	165	50.7	78	46.8
35 - 44	59	12.0	47	14.4	12	7.1
45 - 54	2	0.4	1	0.3	1	0.5
55 and over	0	0.0	0	0.0	0	0.0
Total	493	100.0	326	100.0	167	100.0

**Table 14. Marital Status of Employees, First Layoff—493 Men**

A disproportionate number of single men in the first layoff did not return. Approximately 43% of the first layoff were single men, but of the 326 who returned 34% were single. Of the 137 who did not return almost 60% were single. Even so, just over 50% of the single men in the first layoff did return, and 75% of the married men returned.

Marital Status	Laid Off		Returned		Not Returned	
	Number	Per cent	Number	Per cent	Number	Per cent
Single	210	42.6	112	34.3	98	58.7
Married	277	56.2	208	63.9	69	41.3
W, D, S*	6	1.2	6	1.8	0	0.0
Total	493	100.0	326	100.0	167	100.0

\*Widowed, Divorced, Separated.

Of 493 men laid off in June, 1965, almost 45% had less than one year of seniority and 95% had two years' or less. The largest proportion who did not return comprised those who had less than one year (101 men of 167 not returned), but more than one-half of the people with less than one year's seniority returned, as did three-quarters of those with one to two years' seniority.

**Table 15. Seniority of Employees, First Layoff — 493 Men**

Number of Years	Laid Off		Returned		Not Returned	
	Number	Per cent	Number	Per cent	Number	Per cent
Less than one	221	44.8	120	36.8	101	60.5
1 to 2	248	50.3	185	56.8	63	37.8
More than 2,						
less than 17	23	4.7	20	6.1	3	1.7
17 or more	1	0.2	1	0.3	0	0.0
Total	493	100.0	326	100.0	167	100.0

**Table 16. Pay Classification of Employees, First Layoff — 493 Men (As of Date of Layoff)**

\$ per Hour	Laid Off		Returned		Not Returned	
	Number	Per cent	Number	Per cent	Number	Per cent
Less than 2.34	1	0.2	1	0.3	0	0.0
2.34	51	10.3	8	2.4	43	25.8
2.39	17	3.5	4	1.2	13	7.8
2.44	157	31.8	110	33.8	47	28.2
2.49	84	17.0	64	19.7	20	12.0
2.54	148	30.0	108	33.2	40	24.0
2.59	19	3.9	17	5.2	2	1.1
2.64	15	3.1	13	3.9	2	1.1
More than 2.64	1	0.2	1	0.3	0	0.0
Total	493	100.0	326	100.0	167	100.0

There were 809 men laid off in the middle of August, 1965, and of these, 756 returned to Ford, while 53 were recalled but not re-employed at Ford. Thus, for the second layoff almost 95% returned, compared to 66% for the first layoff.

While in the first layoff it was the younger workers who tended not to return, in the second layoff it was the older workers, presumably because of retirement or physical disability. For example, 40% of the 53 who did not return were 65 years of age or older; it should be noted though, that 48 of the 69 in the oldest age group did resume employment.

In contrast to the first layoff, there was no tendency for married men to return and single men not to return. In fact, for the second layoff there is no difference at all between the proportion of single men in the total layoff and the proportion of single men among those who returned, or the proportion of single men among those who did not return. We can judge that age, seniority and pay classification are relevant to the decision to return, but not marital status, because 92% (150 out of 162) of the single men and 93% (578 out of 619) of the married men returned.

**Table 17. Age Distribution of Employees, Second Layoff — 809 Men**

Age Group	Laid Off		Returned		Not Returned	
	Number	Per cent	Number	Per cent	Number	Per cent
15 - 19	1	0.1	1	0.1	0	0.0
20 - 24	8	1.0	8	1.0	0	0.0
25 - 34	47	5.8	42	5.5	5	9.4
35 - 44	180	22.2	174	23.1	6	11.3
45 - 54	243	30.0	234	31.0	9	17.0
55 - 64	261	32.3	249	33.0	12	22.7
65 - 69	69	8.6	48	6.3	21	39.6
Total	809	100.0	756	100.0	53	100.0

**Table 18. Marital Status of Employees, Second Layoff — 809 Men**

Marital Status	Laid Off		Returned		Not Returned	
	Number	Per cent	Number	Per cent	Number	Per cent
Single	162	20.0	150	19.8	12	22.6
Married	619	76.5	578	76.5	41	77.4
W, D, S*	28	3.5	28	3.7	0	0.0
Total	809	100.0	756	100.0	53	100.0

\*Widowed, Divorced, Separated.



**Table 19. Seniority of Employees, Second Layoff — 809 Men**

Number of Years	Laid Off		Returned		Not Returned	
	Number	Per cent	Number	Per cent	Number	Per cent
Less than one	0	0.0	0	0.0	0	0.0
1 to 2	6	0.7	6	0.7	0	0.0
More than 2,						
less than 17	65	8.0	57	7.6	8	15.0
17 or more	738	91.3	693	91.7	45	85.0
Total	809	100.0	756	100.0	53	100.0

**Table 20. Pay Classification of Employees, Second Layoff—809 Men (As of Date of Layoff)**

\$ per Hour	Laid Off		Returned		Not Returned	
	Number	Per cent	Number	Per cent	Number	Per cent
Less than 2.34	6	0.7	2	0.2	4	7.6
2.34	0	0.0	0	0.0	0	0.0
2.39	1	0.1	0	0.0	1	1.8
2.44	228	28.2	203	26.9	25	47.2
2.49	169	20.9	161	21.3	8	15.1
2.54	310	38.3	297	39.3	13	24.6
2.59	59	7.3	59	7.9	0	0.0
2.64	33	4.1	31	4.1	2	3.7
More than 2.64	3	0.4	3	0.3	0	0.0
Total	809	100.0	756	100.0	53	100.0

Of the 809 men laid off in August, over 90% had 17 or more years' seniority and 45 of the 53 who did not return had this much seniority; the 45, however, constituted only 6% of the highest seniority workers laid off in August. High seniority employees not returning suggests that many may have retired.

As with the first layoff there is an indication that the lowest paid employees did not return, but there is virtually no difference between the distribution of employees among pay classes for those who returned and those who were laid off. The small numbers involved in "not returned" practically take the meaning out of the percentages of the last column. This suggests looking for correlations with other variables or supplementing this Table with other information. This is done in Chapters IV and V.

## Summary

### All Employees Laid Off

#### (1) Place of residence:

About 72% of the 1,302 men laid off lived in Windsor — the proportion was somewhat greater in the second layoff than the first, because older men were involved in the second layoff; but place of residence apparently had no effect on the decision to return or not to return.

#### (2) Age:

Virtually everyone on the first layoff was under 45, while 70% of the men involved in the second layoff were 45 or older. Those who did not return were mostly young men (over 70% of those not re-

turning were 25-34 years old), but on the other hand most people in every age group did return, for even in the 25-34 age group two-thirds of those laid off did return.

#### (3) Marital status:

Half the men who did not return were single, but 70% of the single men did return.

#### (4) Seniority:

Ninety-five per cent of the men in the first layoff had two years' seniority or less, and over 90% of the men in the second layoff had 17 or more years' seniority. Most of the men (75%) who did not return were low seniority, but two-thirds of the low seniority employees did return. Overall, 83% of the laid-off men came back.

#### (5) Pay classification:

Most of the men laid off were earning \$2.44, \$2.49, or \$2.54 per hour. This is true of both layoffs. The lowest paid men were least likely to return: for example, of the 51 men who were earning \$2.34 an hour at the time of layoff 43 did not return.

#### (6) First and Second Layoffs

To summarize for the first and second layoff:

##### (a) First layoff — 493 men

Two-thirds of the first layoff returned to Ford. Those who did not were young, single, low in seniority and low in pay.

##### (b) Second layoff — 809 men

Ninety-three per cent of the second layoff returned to Ford; most of those who did not were near retirement age.

# Experiences of the 1,082 Men Who Were Laid Off and Re-employed

ALL OF THE 1,302 men laid off in June and August, 1965, were recalled to Ford by late February, 1966. Approximately 83% of the recalled workers were re-employed — 1,082 men — most of the rest had a job elsewhere and preferred not to return; a few had retired.

## General Comments: Age and Seniority

There was a somewhat higher average age of the work force after recall than before the layoffs. This average was reduced when several hundred new workers were added in March and April after all laid-off employees had been recalled.

It is no surprise that high seniority

people returned, or that some low seniority workers did not return. It is interesting to note, however, that so many low seniority men returned. For example, 120 men with less than one year's seniority returned (out of 221 laid off), and 191 men with one to two years' seniority returned (out of 254 laid off). With higher seniority, virtually everyone returned.

Over 45% of the men on the first layoff who returned drew neither UC nor SUB benefits, approximately one-quarter used both UC and SUB, and one-quarter used UC only. In the second layoff 15% used neither UC nor SUB, while over 70% drew both.

**Table 21. Returning Employees Who Drew Unemployment Compensation And Supplemental Unemployment Benefits**

Combination of UC and SUB	Number of Employees		
	First Layoff	Second Layoff	Total
Drew both UC and SUB	80	537	617
Drew UC only	85	31	116
Drew SUB only	12	70	82
Drew neither UC nor SUB	149	118	267
Total	326	756	1,082

**Table 22. Age Distribution of Returning Workers Who Drew Unemployment Compensation**

In the first layoff about half of each age group drew UC; in the second layoff those using UC outnumbered those not using UC three or four to one. During the first layoff workers who did not draw UC had for the most part found temporary work. In the second layoff failure to use UC reflected either possession of a temporary job, exhausted benefits, or too short a layoff to take advantage of UC.

Age Group	First Layoff		Second Layoff		Total	
	Drew UC	Did Not Draw UC	Drew UC	Did Not Draw UC	Drew UC	Did Not Draw UC
15 - 19	3	5	0	1	3	6
20 - 24	52	53	7	1	59	54
25 - 34	89	76	30	12	119	88
35 - 44	21	26	133	41	154	67
45 - 54	0	1	167	67	167	68
55 - 64	0	0	194	55	194	55
65 - 69	0	0	37	11	37	11
Total	165	161	568	188	733	349



**Table 23. Number of Weeks of Unemployment Compensation For Employees Who Returned**

Number of Weeks Drawn	First Layoff		Second Layoff		Total	
	Number	Per cent	Number	Per cent	Number	Per cent
0	161	49.4	188	24.9	349	32.2
1 - 5	73	22.4	152	20.1	225	20.8
6 - 10	44	13.5	112	14.8	156	14.4
11 - 15	16	4.9	223	29.4	239	22.1
16 - 20	20	6.1	76	10.1	96	8.9
More than 20	12	3.7	5	0.7	17	1.6
Total	326	100.0	756	100.0	1,082	100.0

In the first layoff half of those who eventually returned did not use UC while laid off, 35% used UC for up to ten weeks, and the remainder (15%) for more than ten weeks. During the second layoff, 25% did not use UC, 35% used UC up to 10 weeks, and 40% for more than 10 weeks.

Most of the 50% in the first layoff who did not use UC at all went to work in anticipation of a long layoff. Most or all of the 25% in the second layoff who did not use UC had too short a layoff (combined with their vacation pay) to be eligible for benefits.

**Table 24. Weekly Amount of Unemployment Compensation And Number of Weeks Drawn For All Employees Who Returned And Who Drew Unemployment Compensation—First and Second Layoff**

Table 24 shows the amount of UC and number of weeks drawn for all 733 men who were laid off and returned to Ford and at the same time, used UC while laid off. About 40% of these men in the first layoff received less than \$30 a week, while only 20% of the men in the second layoff got less than \$30 a week. So in the first layoff half the men got UC and half did not; those who used it averaged about \$27 for seven or eight weeks. In the second layoff 75% of the men used UC and averaged close to \$36 for 11 or 12 weeks.

Number of Weeks	Weekly Amount of UC				Total Number of Men	
	Less Than \$30		\$30 or More		First	Second
	First	Second	First	Second		
1 - 5	34	46	39	106	73	152
6 - 10	21	32	23	80	44	112
11 - 15	3	17	13	206	16	223
16 - 20	4	3	16	73	20	76
More than 20	5	4	7	1	12	5
Total	67	102	98	466	165	568

**Table 25. Age Distribution of Returning Workers Who Drew Supplemental Unemployment Benefits**

In the first layoff 92 men drew SUB benefits, compared to 165 drawing UC; in the second layoff 607 used SUB and 149 did not (compared to 568 using UC and 118 not using UC). In other words, in the first layoff almost 30% used SUB while in the second layoff 80% used SUB. The reasons for not using SUB in the first layoff were principally lack of eligibility and temporary jobs, — in the second layoff either layoffs were too short or temporary jobs were found. In the first layoff approximately 25% to 35% of each age group drew SUB; in the second layoff 75% to 90% of each age group drew SUB.

Age Group	First Layoff		Second Layoff		Total	
	Drew SUB	Did Not Draw SUB	Drew SUB	Did Not Draw SUB	Drew SUB	Did Not Draw SUB
15 - 19	1	7	0	1	1	8
20 - 24	26	79	5	3	31	82
25 - 34	52	113	33	9	85	122
35 - 44	13	34	140	34	153	68
45 - 54	0	1	177	57	177	58
55 - 64	0	0	208	41	208	41
65 - 69	0	0	44	4	44	4
Total	92	234	607	149	699	383

**Table 26. Number of Weeks of Supplemental Unemployment Benefits For Employees Who Returned**

In the first layoff 72% of those who eventually returned to Ford did not use SUB while laid off, 17% used SUB for up to 10 weeks and 11% used SUB for more than 10 weeks. For the second layoff 20% did not draw SUB, 36% used SUB for up to 10 weeks, and 44% for more than 10 weeks.

Most of the 72% in the first layoff went to work early in their layoff period, while most of the 20% of the second layoff who did not draw SUB were laid off for too short a time to take advantage of the plan.

Number of Weeks Drawn	First Layoff		Second Layoff		Total	
	Number	Per cent	Number	Per cent	Number	Per cent
0	234	71.8	149	19.7	383	35.4
1 - 5	40	12.3	140	18.5	180	16.6
6 - 10	15	4.6	133	17.6	148	13.7
11 - 15	11	3.4	257	34.0	268	24.8
16 - 20	18	5.5	72	9.5	90	8.3
More than 20	8	2.4	5	0.7	13	1.2
Total	326	100.0	756	100.0	1,082	100.0

**Table 27. Weekly Amount of Supplemental Unemployment Benefits And Number of Weeks Drawn For All Employees Who Returned — First And Second Layoff**

Table 27 shows the amount of SUB and the number of weeks drawn for all 699 men who were laid off, returned to Ford, and used SUB while laid off. More than half the men (51 out of 92) in the first layoff received \$28 to \$35 per week in benefits, or approximately \$32 per week. Almost 60% of the men in the second layoff drew benefits in the same range. Therefore, in the first layoff 28% of the men who returned to Ford used SUB while laid off, receiving about \$32 for seven or eight weeks; in the second layoff 80% of the men who returned used SUB while laid off, receiving about \$32 a week for 11 or 12 weeks.

Number of Weeks	Weekly Amount of SUB						Total Number of Men	
	Less Than \$28		\$28 - \$35		\$36 or More		First	Second
	First	Second	First	Second	First	Second		
1 - 5	6	18	24	85	10	37	40	140
6 - 10	0	3	10	85	5	45	15	133
11 - 15	1	9	5	145	5	103	11	257
16 - 20	2	2	9	40	7	30	18	72
More than 20	1	1	3	3	4	1	8	5
Total	10	33	51	358	31	216	92	607

**Table 28. Unemployment Compensation And Supplemental Unemployment Benefits For All Employees Who Returned**

Of the 1,082 laid off and returned to Ford, 267 used neither UC nor SUB. About 40% of the remainder, namely 327 men, received an average compensation of \$68 a week (\$36 in UC and \$32 in SUB); another 144 had \$36 in UC and about \$40 in SUB, for \$76 a week in total benefits. Altogether this accounts for almost 70% of the 1,082; the remaining 30% were distributed as shown in Table 28.

Weekly Amount of UC	Weekly Amount of SUB				Total Number of Men
	None	Less Than \$28	\$28 - \$35	\$36 or More	
None	267	7	41	34	349
Less than \$30	54	5	41	69	169
\$30 or more	62	31	327	144	564
Total	383	43	409	247	1,082



**Table 29. Number of Weeks of Unemployment Compensation And Supplemental Unemployment Benefits For All Employees Who Returned**

Table 29 shows that 267 employees of 1,082 drew neither UC nor SUB; 150 men received both benefits for 1 to 5 weeks, 106 men got both for 6 to 10 weeks, 204 men received both for 11 to 15 weeks, 61 men for 16 to 20 weeks, and 7 men for more than 20 weeks. Nearly 75% of the men (795) received both UC and SUB for the same number of weeks.

Number of Weeks UC Drawn	Number of Weeks SUB Drawn						Total Number of Men
	None	1 - 5	6 - 10	11 - 15	16 - 20	More Than 20	
None	267	20	21	30	10	1	349
1 - 5	62	150	5	7	1	0	225
6 - 10	31	6	106	8	4	1	156
11 - 15	7	3	13	204	12	0	239
16 - 20	8	1	3	19	61	4	96
More than 20	8	0	0	0	2	7	17
Total	383	180	148	268	90	13	1,082

Virtually all the 234 men from the first layoff who were interviewed when re-employed at Ford had been on layoff for 21 to 30 weeks. In other words, they were laid off at the end of June, had some paid vacation coming, and went back between December and February.

For the second layoff in August, 407 men were interviewed. The 250 men who went back in September following a paid vacation were not interviewed because of the brevity of the layoff, so 407 were interviewed out of a possible 506. Two-thirds of the 407 were off for 16 to 20 weeks and the rest were evenly divided between 6 to 10 and 11 to 15 weeks' layoff. Thus, following a paid vacation a large number (250) went back to work in September, and (almost) all were back by late December.

**Table 30. Length of Layoff For Employees Who Returned And Were Interviewed**

Number of Weeks	First Layoff		Second Layoff		Total	
	Number	Per cent	Number	Per cent	Number	Per cent
1 - 5	0	0.0	1	0.2	1	0.1
6 - 10	0	0.0	61	15.0	61	9.5
11 - 15	0	0.0	63	15.5	63	9.8
16 - 20	0	0.0	272	66.9	272	42.6
21 - 25	47	20.1	1	0.2	48	7.4
26 - 30	185	79.1	9	2.2	194	30.3
More than 30	2	0.8	0	0.0	2	0.3
Total	234	100.0	407	100.0	641	100.0

**Table 31. Seniority And Length of Layoff  
(Laid-off Employees Returning and Interviewed)**

In general, men with two years' or less seniority were on layoff for six or seven months, while the high seniority men were off for four months at the most, a good many going back to work in September through November.

Number of Years' Seniority	Number of Weeks Laid Off							Total Number of men
	Second Layoff				First Layoff			
	1 - 5	6 - 10	11 - 15	16 - 20	21 - 25	26 - 30	More Than 30	
Less than one	0	0	0	0	0	98	1	99
	1	0	0	1	29	85	1	117
More than 2, less than 17	0	2	8	34	18	1	0	63
17 or more	0	59	55	237	1 <sup>a</sup>	10 <sup>b</sup>	0	362
Total	1	61	63	272	48	194	2	641

<sup>a</sup> Second layoff

<sup>b</sup> Nine of the ten are second layoff

**Table 32. Number of Weeks of UC And SUB Compared To Length of Layoff**

*(Laid-off Employees Returning and Interviewed)*

Number of Weeks of UC	Number of Weeks Laid Off					Total Number of Men
	Less Than 11	11 - 15	16 - 20	21 - 25	More Than 25	
1 - 5	9	5	20	8	39	81
6 - 10	39	8	20	8	25	100
11 - 15	0	38	128	9	10	185
16 - 20	1	2	61	7	8	79
More than 20	0	0	0	4	4	8
Total	49	53	229	36	86	453
Weeks of SUB						
1 - 5	10	4	20	9	7	50
6 - 10	44	4	32	4	4	88
11 - 15	0	47	139	10	7	203
16 - 20	0	3	57	6	4	70
More than 20	1	0	1	0	3	5
Total	55	58	249	29	25	416
Number of men (Returned and Interviewed)	62	63	272	48	196	641

**Table 33. Financial Experiences Compared To Length of Layoff**

*(Laid-off Employees Returning and Interviewed)*

Experience	Number of Weeks Laid Off					Total Number of Men
	Less Than 11	11 - 15	16 - 20	21 - 25	More Than 25	
Wife went to work	4	3	25	3	22	57
Children quit school	2	0	2	1	0	5
Education and training acquired during layoff	0	4	7	3	12	26
Decreased savings	25	39	151	26	91	332
Borrowed money	1	8	30	5	28	72
Piled up bills	8	20	77	9	62	176
Help from relatives	1	2	22	3	15	43
Moved to cheaper quarters	1	2	8	2	1	14
Other family member got job	6	1	9	2	16	34
Received public assistance	0	2	1	1	2	6
Sold car or durables	0	0	6	1	5	12
Used UC	49	53	229	36	86	453
Used SUB	55	58	249	29	25	416
Gainfully employed	6	11	50	31	177	275
Number of men	62	63	272	48	196	641

Apparently UC benefits held up very well for anyone laid off four to five months or less, but not so well for those laid off for longer periods, because the young men with long layoffs had not had prior employment for a period of time long enough to build up sufficient benefits for a lengthy layoff.

The experience with SUB is almost identical — most men who received benefits got them for the full layoff period provided that the duration of the layoff did not exceed four months. Relatively few of the young, low seniority, first layoff men received SUB; for the most part those who did exhausted their benefits by the middle of the layoff period.

There are some inconsistencies in this Table; for example, it is not clear how a man who could be laid off less than 11 weeks and draw UC for 16-20 weeks, or SUB for more than 20 weeks. The length of layoff information came from the man himself and in some cases there are communication difficulties due to language barriers. Moreover, we used a different source (the Unemployment Insurance Commission) for information on UC and SUB. We believe that in spite of these obstacles the general trends come through accurately.

The interviewed employees were asked the "yes or no" questions listed on the left hand side of Table 33. In this Table the "yes" answers are compared to length of layoff. Apparently most men weathered the layoff by some combination of unemployment compensation, supplemental unemployment benefits and temporary employment. There is very little evidence of children quitting school, the family moving to cheaper quarters, public assistance, selling durable goods, etc. Moreover, there seems to be little evidence that the longer the layoff the more the family had to resort to such measures. (The first three columns of numbers are second lay-off men only; the fourth and fifth columns are almost entirely first layoff).



**Table 34. Some Financial Experiences of Interviewed Employees Who Returned**

Question	First Layoff		Second Layoff	
	Yes	No	Yes	No
Wife went to work	25	197	32	351
Children quit school	1	214	4	378
Education and training acquired during layoff	15	219	11	393
Decreased savings	112	122	220	185
Borrowed money	33	201	39	336
Piled up bills	71	163	105	300
Help from relatives	18	216	25	380
Moved to cheaper quarters	3	231	11	394
Other family member got a job	18	216	16	389
Received public assistance	3	231	3	402
Sold car or other durables	6	228	6	399
Used Unemployment Compensation	114	120	339	68
Used Supplemental Unemployment Benefits	45	189	371	36
Gainfully employed	208	26	67	340

When financial experiences are divided into first and second layoffs, keeping in mind that the men on the first layoff were young and had a longer layoff period, it is plain that the measures considered here were not resorted to significantly more during the first layoff than during the second, except for use of UC, SUB and gainful employment. The main conclusion is that men in the first layoff depended a great deal on finding temporary gainful employment, and weathered the layoff successfully without resorting to extraordinary economic measures.

For the first layoff of 493 men, 167 found other jobs and did not return to Ford; we interviewed 234 of the remaining 326, and 208 of them had jobs. It is reasonable to think that as high a proportion of the non-interviewed 92 men also had jobs because many of these, reporting back to Ford for re-employment processing arrived late in the day — as late as 9.00 p.m.

For the second layoff of 809 men, 53 never returned and 250 went back to work in September — so there were 506 men to interview. We interviewed 407 of them, 67 of whom had jobs and 340 did not. There is no reason to believe that more than 15% of the 99 not interviewed had jobs. Many of the men reported that

they spent a substantial part of their layoff time fixing up their homes, working in their gardens, etc.

**Table 35. Number of Employees Who Found Temporary Jobs (Laid-off Employees Returning and Interviewed)**

Place of Residence	First Layoff		Second Layoff		Total	
	Temporary Job	No Job	Temporary Job	No Job	Temporary Job	No Job
Windsor	124	9	40	273	164	282
Outside Windsor	84	17	27	67	111	84
Total	208	26	67	340	275	366

**Table 36. Seniority of Employees Who Had Temporary Jobs (Laid-off Employees Returning and Interviewed)**

Number of Years' Seniority	First Layoff		Second Layoff		Total	
	Temporary Job	No Temporary Job	Temporary Job	No Temporary Job	Temporary Job	No Temporary Job
Less than one	98	1	0	0	98	1
1 to 2	99	16	2	0	101	16
More than 2, less than 17	10	9	32	12	42	21
17 or more	1	0	33	328	34	328
Total number of men	208	26	67	340	275	366

Virtually all the low seniority people we interviewed had found jobs, while only 10% (34 of 328) of the highest seniority people we interviewed had taken temporary jobs. This means that almost all the long layoff people — five months or more laid off — held jobs, while the short layoff people were not really interested in finding a job, which is understandable. When necessary the second layoff people did seek and find work. For example, Table 36 shows 67 jobs for second layoff men — 50 of these were held by men who were laid off for a period ranging from 16 to 20 weeks (see Table 33).

**Table 37. Education And Temporary Employment**  
(Laid-off Employees Returning and Interviewed)

There is no indication that formal education was a factor in assisting the laid-off men to find jobs. What does come through is that the first layoff men are better educated than the second, but the younger workers had no trouble (regardless of any inadequacies in their education) because of a booming local economy. (At the time of layoff five representatives of the Windsor Board of Education visited Ford to advise soon-to-be-laid-off workers of the availability of training under Program 5 of the Technical and Vocational Training Agreement. Very few workers took advantage of this opportunity).

Education	First Layoff		Second Layoff		Total	
	Temporary Job	No Job	Temporary Job	No Job	Temporary Job	No Job
None	2	1	2	41	4	42
Elementary incomplete	13	3	20	138	33	141
Elementary completed	64	5	20	75	84	80
High School (1 or 2 years)	88	11	20	59	108	70
High School (3 to 5 years)	34	5	5	20	39	25
University (1 year or more)	5	0	0	2	5	2
Other	2	1	0	5	2	6
Total	208	26	67	340	275	366

**Table 38. First And Second Temporary Jobs Held**  
(Laid-off Employees Returning and Interviewed)

Some of the first layoff men held as many as four jobs. Table 38 lists the jobs in descending order, using first job figures for first layoff as a criterion. The older men (as evidenced by first job, second layoff) tended to stay out of truck driving, construction work, and especially production work in other factories. The young men were able to get into other production work because there existed always the possibility that the man would be satisfied with his new work, and choose to remain with it. In contrast, the older, high-seniority man is almost certain to return to Ford.

Job Class	First Job		Second Job	
	First Layoff	Second Layoff	First Layoff	Second Layoff
Labourers (excluding agric.)	31	8	17	1
Production process and related workers	25	1	9	0
Truck drivers	19	4	8	1
Farmers and farm labourers	18	5	1	0
Welders and flame cutters	14	3	4	0
Construction workers	12	1	5	1
Janitors and cleaners, building	6	2	1	0
Filers, grinders, sharpeners	6	0	1	0
Fitters and assemblers — metal	6	6	6	2
Metal working machine operators	6	1	8	2
Shipping and receiving clerks	5	0	3	0
Carpenters	5	0	0	0
All others	55	36	24	2
Total	208	67	87	9

**Table 39. Number of Weeks Between Layoff And First Job**  
(Laid-off Employees Returning and Interviewed)

Most workers found a job within a month of layoff, many within one week. There were 57 men who said they went six weeks or longer before finding work, but 40 of them drew unemployment compensation, and some also drew SUB. Of the 17 without UC, 14 were laid off at the end of June. It is interesting to note that the majority of older workers found a job early in their layoff period, if they found a job at all.

Number of Weeks	First Layoff	Second Layoff	Total
0 - 5	166	52	218
6 - 10	32	15	47
11 - 15	4	0	4
16 - 20	5	0	5
More than 20	1	0	1
Total	208	67	275



Half of the 208 men in the first layoff who held temporary jobs, kept them for almost the full layoff period. Table 40 shows that 107 men out of 208 held their first jobs for 16 weeks or more. More than a third of the second jobs (32 out of 87) were held for four months or more. Those on the second layoff held their jobs for briefer periods of time, although almost half the jobs were held for 11 weeks or more.

**Table 40. Number of Weeks On Temporary Jobs**  
(Laid-off Employees Returning and Interviewed)

Number of Weeks on Each Job	First Layoff				Second Layoff			
	Job Number				Job Number			
	1	2	3	4	1	2	3	4
1 - 5	42	20	10	3	21	7	2	—
6 - 10	36	14	5	1	17	1	0	—
11 - 15	23	21	2	1	21	1	0	—
16 - 20	21	17	1	0	5	0	0	—
More than 20	86	15	4	1	3	0	0	—
Total number of men	208	87	22	6	67	9	2	—

**Table 41. Length of Temporary Job No. 1 And How Located**  
(Laid-off Employees Returning and Interviewed)

Table 41 shows methods of finding the first job. Most interviewees stated that they found their own jobs (160 out of 275). The data in Appendix B-1 show the same tendency for jobs 2, 3 and 4. When broken down by layoff there is some indication that the workers in the second layoff relied more on the National Employment Service than did first layoff workers. For the most part the long-lasting temporary jobs were found by the men themselves. For example, 60 of the 160 jobs in the category "found by myself" lasted more than 20 weeks, while 18 of the 77 jobs found through NES lasted more than 20 weeks. (This is not a criticism of NES — quite the contrary, for 77 people found employment through NES, and these people might otherwise have been without work).

Source of Information	Number of Weeks on Job No. 1					Total Number of Men
	1 - 5	6 - 10	11 - 15	16 - 20	More Than 20	
National Employment Service	23	18	15	3	18	77
Friend	6	2	3	0	10	21
Newspaper	1	1	0	1	0	3
Myself	29	30	21	20	60	160
Other	4	2	5	2	1	14
Total number of men	63	53	44	26	89	275

**Table 42. Temporary Jobs And Number of Weeks of Unemployment Compensation And Supplemental Unemployment Benefits**  
(Laid-off Employees Returning and Interviewed)

More than half the men on the first layoff who returned and were interviewed, and who had had temporary jobs, did not use UC. Nearly 90% of them did not use SUB. On the second layoff the corresponding proportions are one-third for both UC and SUB. In each case, about half of those people with jobs who did draw UC or SUB did so for about five weeks.

Table 42 suggests that the pressure generated by low (or no) benefits forces people to seek work, especially when facing long layoffs. (See Table 43 also).

Number of Weeks UC Drawn	First Layoff		Second Layoff		Total	
	Temporary Job	No Job	Temporary Job	No Job	Temporary Job	No Job
0	116	4	24	44	140	48
1 - 5	46	1	20	14	66	15
6 - 10	31	2	8	59	39	61
11 - 15	5	8	12	160	17	168
16 - 20	6	8	3	62	9	70
More than 20	4	3	0	1	4	4
Total	208	26	67	340	275	366
Number of Weeks SUB Drawn	First Layoff		Second Layoff		Total	
	Temporary Job	No Job	Temporary Job	No Job	Temporary Job	No Job
0	182	7	21	15	203	22
1 - 5	16	0	20	14	36	14
6 - 10	5	2	11	70	16	72
11 - 15	1	9	13	180	14	189
16 - 20	3	6	1	60	4	66
More than 20	1	2	1	1	2	3
Total	208	26	67	340	275	366

**Table 43. Unemployment Compensation And Number of Weeks Before First Job**  
(Laid-off Employees Returning and Interviewed)

Number of Men	Number of Weeks Between Layoff and First Job					Total Number of Men
	0 - 5	6 - 10	11 - 15	16 - 20	More Than 20	
Drawing UC	95	34	3	2	1	135
Not Drawing UC.	123	13	1	3	0	140
Total	218	47	4	5	1	275

Many of the men not using UC obtained other employment right away; in fact, many obtained another job before the actual layoff date. Some of the men who took more time to find a job used unemployment compensation. In all, 218 men had jobs within a month of layoff, and 123 of them did not use any UC at all after layoff. As time went by, a greater portion of ultimate job holders used UC. For example, 34 of the 47 men who found jobs six to 10 weeks after their layoff also used unemployment compensation.

**Table 44. A Comparison of Employees With The Longest Layoff**  
(Laid-off Employees Returning and Interviewed)

Experience	272 Men Off 16 - 20 Weeks in Second Layoff <sup>a</sup>		185 Men Off 26 - 30 Weeks in First Layoff <sup>a</sup>	
	Yes	No	Yes	No
Gainfully employed	50	222	175	10
If gainfully employed did it take you less than 6 weeks to find employment	38	12	142	33
Wife went to work	25	229 <sup>b</sup>	22	155 <sup>c</sup>
Drew UC	229	43	78	107
Less than \$30 per week	21	208	36	42
Less than 6 weeks	20	209	39	39
Drew SUB	249	23	16	169
Less than \$36 per week	146	103	11	5
Less than 6 weeks	20	229	7	9

Table 44 summarizes some of the highlights for a portion of the 641 men who were interviewed at recall time. The Table reflects a number of the experiences of those who were laid off longest for both first and second layoffs.

<sup>a</sup> For distribution of length of layoff see Table 30.

<sup>b</sup> Yes and no answers do not total 272 because some men refused to answer.

<sup>c</sup> Yes and no answers do not total 185 because some men refused to answer.

## Summary

### All Employees Laid Off and Returned

#### (1) General Comments — Age and Seniority — 1,082 Men

The first layoff was made up of young, low seniority men — two-thirds of whom returned to Ford; the second layoff was made up of older men, with much higher seniority — almost 95% of them were re-employed at Ford. Even in the first layoff, three-quarters of the men with one to two years' seniority returned.

#### (2) Use of UC and SUB by the Men Returning to Ford

##### (a) First layoff

About 25% of these men used both UC and SUB while laid off, 45% used neither, and the rest used one or the other (usually UC). For the most part (almost entirely) those who did not use either one, went to work elsewhere early in their layoff period, and stayed at work. For those who used UC about 40% got less than \$30 a week for seven or eight weeks, while the rest got \$30 or more (usually

\$36) a week for seven or eight weeks. Most of the workers (72%) never used SUB; those who did averaged \$32 a week for seven or eight weeks.

##### (b) Second Layoff

About 70% used both UC and SUB; 15% used neither, and 15% used one or the other. Virtually all those who did not use either were recalled before their waiting period was up, and before they could legally draw benefits. Those who did use UC averaged close to \$36 a week for 11



or 12 weeks; those who used SUB averaged \$32 a week for 11 or 12 weeks.

(c) *Both layoffs*

Of the 1,082 men who returned, 267 did not use either UC or SUB while laid off — invariably because they had a temporary job (cf. Table 42); 327 men averaged \$68 in combined UC and SUB benefits. These men account for 70% of the 1,082 men returning to Ford, the rest were distributed as shown in Table 28. For the first men laid off in June, benefits ran out about half way through the layoff period; for the second layoff, many men found their benefits lasting for the entire layoff.

**(3) Recalled and interviewed—641 Men**

(a) *Length of layoff*

The men of the first layoff were off the job from five to seven months; for most of them it was closer to six or seven than to five or six. Most of the men of the second

layoff were away from Ford for four months; for the rest it was two or three months, (but the first 250 recalled in September were not interviewed).

(b) *Financial experiences*

There is only very limited evidence of extreme hardship as measured by children quitting school, families losing homes or selling household furniture, appealing for public assistance, etc. Those affected by the second layoff lived for the most part on UC, SUB, and past savings; the first layoff people also relied on these resources, but most importantly they found gainful employment. The resources of UC, etc. would have run out for most men with only half the layoff period completed; if it had not been for a booming local economy, life for some could have become quite difficult.

(c) *Temporary Work*

Of the 1,302 men laid off, 220 never

returned to Ford. Most of them had found other jobs. Of the 1,082 who returned, practically all of the men who wanted temporary jobs found them. We interviewed 234 of the 326 men of the first layoff who returned and 90% of them had been gainfully employed; 250 men of the second layoff had gone back to work at Ford in September, and of 506 other men who might have been interviewed, interviews of 407 showed less than 15% had found temporary jobs.

They went to all kinds of unskilled jobs, especially as labourers and production workers. The most striking contrast between first and second layoff was the inability of older men to get into production work in factories. Many of those who worked had a job within a week of layoff, and most had a job within one month. Many of the jobs were steady jobs; half the men who held jobs, held their first job for the full layoff period.

# The 220 Men Who Were Laid Off and Did Not Return

SEVENTEEN PER CENT of the men laid off did not return — 167 from the first layoff, and 53 from the second layoff. We have information on these employees regarding age, marital status, seniority, pay classification at time of layoff, and the amount

of unemployment compensation and supplemental unemployment benefits received from their layoff until late February 1966. The information is assembled in this Chapter.

Table 45 shows the percentage of each age group not returning to Ford. The age group 20-24 had the largest percentage not returning. These people were, of course, in the group to be laid off first.

The next age group, 25-34, had 78 of 243 men (or 32%) not returning from the first layoff, and 5 out of 47 in the same age group not returning from the second layoff. The largest group not returning in the second layoff was the oldest age group (65 to 69), when 21 men out of 69 laid off did not return.

The data in Appendix B-2 show that the largest group not returning were the single men laid off in June — almost half of them did not come back. By contrast, 93% of the single men laid off in August did return. The next largest group not returning were the married men laid off in June: 25% did not return, while all but 7% of the married men in the second layoff were re-employed.

The numbers of laid-off men not returning to Ford in each seniority group have been recorded for first layoff, second layoff, and for the total, in Tables 15, 19 and 10, respectively. The largest group not returning comprised 101 to 221 lowest seniority men laid off in June, 1965. From the same layoff 25% of those with one to two years' seniority did not return. In the second layoff virtually everyone who was physically able to return did so, except for those who retired.

**Table 45. Number And Percentage of Each Age Group Not Returnnig**

Age Group	First Layoff		Second Layoff	
	Number Who Did Not Return	Per cent of Age Group Not Returning	Number Who Did Not Return	Per cent of Age Group Not Returning
15 - 19	2	20.0	0	0.0
20 - 24	74	41.3	0	0.0
25 - 34	78	32.1	5	10.6
35 - 44	12	20.3	6	3.3
45 - 54	1	50.0	9	3.7
55 - 64	0	—	12	4.6
65 - 69	0	—	21	30.4
Total	167	33.9	53	6.6

**Table 46. Number And Percentage of Each Seniority Group Not Returning**

Number of Years' Seniority	First Layoff		Second Layoff	
	Number Who Did Not Return	Percentage of Seniority Group Not Returning	Number Who Did Not Return	Percentage of Seniority Group Not Returning
Less than one	101	45.7	0	—
1 to 2	63	25.4	0	—
More than 2,				
less than 17	3	13.0	8	12.3
17 or more	0	0.0	45	6.1
Total	167	33.9	53	6.6



**Table 47. Number And Percentage of Each Pay Class Not Returning**

The number of laid-off men not returning to Ford in each pay class has been shown for first layoff, second layoff, and total, in Tables 16, 20 and 12, respectively. Table 47 lists the number of men who did not return, by pay class, and the percentage of men who did not return out of the total number laid off in each pay class. The largest proportions of non-returnees were in the lowest pay classes in both layoffs. Thus, of the 69 lowest paid men in the first layoff (\$2.39 an hour or less), 56 did not return.

\$ per Hour	First Layoff		Second Layoff	
	Number Who Did Not Return	Percentage of Seniority Group Not Returning	Number Who Did Not Return	Percentage of Seniority Group Not Returning
Less than 2.34	0	0.0	4	66.7
2.34	43	84.3	0	—
2.39	13	76.5	1	100.0
2.44	47	29.9	25	11.0
2.49	20	23.8	8	4.7
2.54	40	27.0	13	4.2
2.59	2	10.5	0	—
2.64	2	13.3	2	6.1
More than 2.64	0	—	0	—
Total	167	33.9	53	6.6

**Table 48. Employees Who Did Not Return But Drew Unemployment Compensation And Supplemental Unemployment Benefits**

Over 70% of the first layoff and 40% of the second layoff did not draw either UC or SUB benefits. About 10% of the first layoff and 30% of the second received both. The remainder used one or the other: more commonly, UC in the first layoff and SUB in the second.

Combination of UC and SUB	Number of Employees		
	First Layoff	Second Layoff	Total
Drew both UC and SUB	17	16	33
Drew UC only	26	1	27
Drew SUB only	4	15	19
Drew neither UC nor SUB	120	21	141
Total	167	53	220

**Table 49. Number of Weeks Unemployment Compensation Drawn By Employees Who Did Not Return**

Three-quarters of the men laid off in June and not returning did not use unemployment compensation at all during the period June, 1965 to February, 1966; most of the rest of those in the first layoff drew compensation for five weeks or less. About two-thirds of the personnel involved in the second layoff not returning did not use UC from August, 1965 to February, 1966, while most of the rest drew compensation for up to 10 weeks.

Number of Weeks Drawn	First Layoff		Second Layoff		Total	
	Number of Employees	Per cent	Number of Employees	Per cent	Number of Employees	Per cent
0	124	74.2	36	67.9	160	72.7
1 - 5	28	16.8	7	13.2	35	15.9
6 - 10	10	6.0	5	9.4	15	6.8
11 - 15	2	1.2	2	3.8	4	1.8
16 - 20	1	0.6	2	3.8	3	1.4
More than 20	2	1.2	1	1.9	3	1.4
Total number of men	167	100.0	53	100.0	220	100.0

Of the 43 men from the first layoff who did not return, but used UC during the layoff period, 28 received benefits for five weeks or less — 16 of these drew less than \$30 per week. Of the 17 men from the second layoff who did not return but used UC during the layoff period, seven received benefits for five weeks or less, and 12 for 10 weeks or less. Seven of the 12 drew less than \$30 per week, and five got more.

The average man in the first layoff who did not return, drew unemployment compensation of \$27 a week for five weeks or less. Table 50 shows that the numbers are so small for the second layoff that it is meaningless to generalize beyond the statement that there was a tendency for the average man in the second layoff to get a little more for a somewhat longer period.

**Table 50. Amount of Unemployment Compensation And Number of Weeks Drawn For Employees Who Did Not Return — First And Second Layoff**

Number of Weeks Drawn	Weekly Amount of UC				Total Number of Men	
	Less Than \$30		\$30 or More		First	Second
	First	Second	First	Second		
1 – 5	16	6	12	1	28	7
6 – 10	5	1	5	4	10	5
11 – 15	0	0	2	2	2	2
16 – 20	0	0	1	2	1	2
More than 20	1	0	1	1	2	1
Total	22	7	21	10	43	17

**Table 51. Number of Weeks of Supplemental Unemployment Benefits For Employees Who Did Not Return**

Number of Weeks Drawn	First Layoff		Second Layoff		Total	
	Number of Employees	Per cent	Number of Employees	Per cent	Number of Employees	Per cent
0	146	87.4	22	41.5	168	76.4
1 – 5	14	8.4	8	15.1	22	10.0
6 – 10	4	2.4	7	13.2	11	5.0
11 – 15	2	1.2	8	15.1	10	4.5
16 – 20	1	0.6	5	9.4	6	2.7
More than 20	0	—	3	5.7	3	1.4
Total	167	100.0	53	100.0	220	100.0

Almost 90% of those in the first layoff and not returning did not use SUB, and most of those who did use it drew benefits for five weeks or less. Over 41% of those in the second layoff who did not return did not use SUB, and 15% drew benefits for five weeks or less.

**Table 52. Amount of Supplemental Unemployment Benefits And Number of Weeks Drawn For Employees Who Did Not Return — First And Second Layoffs**

Number of Weeks Drawn	Weekly Amount of SUB						Total Number of Men	
	Less Than \$28		\$28 – \$35		\$36 or More		First	Second
	First	Second	First	Second	First	Second		
1 – 5	3	3	10	4	1	1	14	8
6 – 10	0	1	4	2	0	4	4	7
11 – 15	0	1	2	4	0	3	2	8
16 – 20	1	2	0	3	0	0	1	5
More than 20	0	2	0	0	0	1	0	3
Total	4	9	16	13	1	9	21	31

In the first layoff there were 21 men who used SUB and did not return to Ford, while in the second layoff there were 31. The most frequent combination of number of weeks and amount was one to five weeks and \$28 to \$35. This occurred for 10 men of the first layoff.

It is difficult to pick a representative combination for men of the second layoff because the numbers are small and scattered; probably \$32 a week for three months is typical.



# Summary

It was the young men who did not return to Ford, although in the second layoff some of the older men did not return. Also, in general, it was the first-layoff men who did not come back, e.g., half the single men laid off in June did not return but only 7.4% of the single men laid off in August did not return; 25% of all married men on the first layoff were not re-employed, but only 7% of the married men on the second layoff. Similarly the low seniority and lower pay class men did not come back to the degree that

higher seniority and higher pay classes returned.

One-third of those in the first lay-off were not re-employed, and these 167 men were three-quarters of the 220 who did not return out of a total layoff of 1,302. In general these men were young, single, low seniority and in a relatively low pay class.

What happened to these men? Most of them went to work right away. Seventy-five per cent of the first layoff not returning did not use unemployment compensation at all, and most of the rest got \$27 a week for about a month; figures for the second-layoff non-returnees are approxi-

mately the same, with a little more compensation for a somewhat longer period. Most of the men who did not return did not receive SUB in the layoff period; those who did got about \$32 a week for one month, (if first layoff), and for three months, (if second layoff).

Where did these men go eventually? Some of them left Windsor. Some retired. But most found jobs in the Windsor area. Appendix F gives the last NES referral for 66 of 220 men. On the basis of last referral, most of them found work as labourers in other auto plants, feeder or parts plants, or in a related company.

## APPENDIX A

# Numbers of Laid off, Recalled, Interviewed and Re-employed Workers

Total number laid off.....	1,391	
Laid off twice and now working at Ford..	71	
Laid off twice and did not return.....	15	
Interviews not counted because invalid....	3	89
	-----	-----
TOTAL LAYOFF for this Report.....	1,302	
FIRST LAYOFF:		
Recalled, interviewed and re-employed....	234	
Recalled, not interviewed, and re-employed	92	
Recalled but not re-employed.....	167	493
	-----	-----
SECOND LAYOFF:		
Recalled, interviewed and re-employed....	407	
Recalled, not interviewed, and re-employed	349*	
Recalled but not re-employed.....	53	809
	-----	-----
TOTAL first and second layoff.....	1,302	

TOTALS:		
Total interviews.....		641
Total recalled but not interviewed.....		441*
Total laid off and re-employed —		
First layoff.....	326	
Second layoff.....	756	1,082
Total laid off and not re-employed —		
First layoff.....	167	
Second layoff.....	53	220
	-----	-----
GRAND TOTAL (i.e., total layoff).....		1,302

\*250 of these men were not interviewed because, since they were re-employed during September (following layoff in mid-August and a two or three-week vacation for the last part of August and early September), they were not subject to the layoff experiences we wished to investigate. Therefore, there were 99 men on the second layoff we might have interviewed and did not, compared to 92 men on the first layoff who were not interviewed.

# Laid off and Now Working at Ford—1,082 Men

(641 Men Were Interviewed)

1. NAME.....			
2. ADDRESS.....			
	First	Second	
	Layoff	Layoff	Total
3. Do you live in Metropolitan Windsor?			
Yes.....	191	587	778
No.....	135	169	304
Total.....	326	756	1,082
4. Age			
15-19.....	8	1	9
20-24.....	105	8	113
25-34.....	165	42	207
35-44.....	47	174	221
45-54.....	1	234	235
55-64.....	0	249	249
65-69.....	0	48	48
70 and over.....	0	0	0
Total.....	326	756	1,082
5. Marital Status			
Single.....	112	150	262
Married.....	208	578	786
Widowed.....	1	7	8
Divorced.....	2	9	11
Separated.....	3	12	15
Total.....	326	756	1,082
6. Education			
None.....	3	43	46
Elementary — 1 yr. or more but not complete.....	16	158	174
Elementary completed.....	69	95	164
High school 1 to 2 years.....	99	79	178
High school 3 to 5 years.....	39	25	64
University 1 or more years.....	5	2	7
Other.....	3	5	8
Total.....	234	407	641
7. Were you gainfully employed during layoff?			
Yes.....	208	67	275
No.....	26	340	366
Total.....	234	407	641

8. If "yes" how many weeks were you laid off before you got your first job?			
0- 5.....	166	52	218
6-10.....	32	15	47
11-15.....	4	0	4
16-20.....	5	0	5
More than 20.....	1	0	1
Total.....	208	67	275

9. If "yes" how many different jobs did you have?			
1.....	121	58	179
2.....	65	7	72
3.....	16	2	18
4.....	6	0	6
5 or more.....	0	0	0
Total.....	208	67	275

10. What was Job No. 1?			
11. Was this full- or part-time?			
full-time.....	198	53	251
part-time.....	10	14	24
12. Number of weeks on Job No. 1			
1- 5.....	42	21	63
6-10.....	36	17	53
11-15.....	23	21	44
16-20.....	21	5	26
More than 20.....	86	3	89
Total.....	208	67	275
13. How did you get Job No. 1?			
NES.....	52	25	77
Friend.....	17	4	21
Newspaper ad.....	1	2	3
Myself.....	137	23	160
Other.....	1	13	14
Total.....	208	67	275

14. What was Job No. 2?			
15. Was this full- or part-time?			
full-time.....	83	7	90
part-time.....	4	2	6
16. Number of weeks on Job No. 2			
1- 5.....	20	7	27
6-10.....	14	1	15
11-15.....	21	1	22
16-20.....	17	0	17
More than 20.....	15	0	15
Total.....	87	9	96



17. How did you get Job No. 2?			
NES.....	19	3	22
Friend.....	3	1	4
Newspaper ad.....	0	0	0
Myself.....	60	4	64
Other.....	5	1	6
Total.....	87	9	96

18. What was Job No. 3?

19. Was this full- or part-time?			
full-time.....	21	2	23
part-time.....	1	0	1

20. Number of weeks on Job No. 3			
1- 5.....	10	2	12
6-10.....	5	0	5
11-15.....	2	0	2
16-20.....	1	0	1
More than 20.....	4	0	4
Total.....	22	2	24

21. How did you get Job No. 3?			
NES.....	1	0	1
Friend.....	1	0	1
Newspaper ad.....	0	0	0
Myself.....	20	2	22
Other.....	0	0	0
Total.....	22	2	24

22. What was Job No. 4?

23. Was this full- or part-time?			
full-time.....	6	0	6
part-time.....	0	0	0

24. Number of weeks on Job No. 4			
1- 5.....	3	0	3
6-10.....	1	0	1
11-15.....	1	0	1
16-20.....	0	0	0
More than 20.....	1	0	1
Total.....	6	0	6

25. How did you get Job No. 4?			
NES.....	0	0	0
Friend.....	0	0	0
Newspaper ad.....	0	0	0
Myself.....	6	0	6
Other.....	0	0	0
Total.....	6	0	6

26. Did your wife go to work during your layoff?			
Yes.....	25	32	57
No.....	197	351	548

27. Did any of your children quit school and work as a result of your layoff?			
Yes.....	1	4	5
No.....	214	378	592

28. Education and training acquired dur- ing layoff			
None.....	219	393	612
Program 5 education.....	5	4	9
Program 5 training.....	1	0	1
Other (please specify).....	9	7	16

29. How did you get by during the layoff?			
Decreased Savings			
Yes.....	112	220	332
No.....	122	185	307

30. Borrowed Money			
Yes.....	33	39	72
No.....	201	366	567

31. Piled-up Bills			
Yes.....	71	105	176
No.....	163	300	463

32. Help from relatives			
Yes.....	18	25	43
No.....	216	380	596

33. Moved to cheaper quarters			
Yes.....	3	11	14
No.....	231	394	625

34. Other family member got job			
Yes.....	18	16	34
No.....	216	389	605

35. Received public assistance			
Yes.....	3	3	6
No.....	231	402	633

36. Sold car or other durables			
Yes.....	6	6	12
No.....	228	399	627

37. Found a temporary job			
Yes.....	178	61	239
No.....	56	346	402

38. Used Unemployment Compensation			
Yes.....	165	568	733
No.....	161	188	349
Total.....	326	756	1,082

39. If "yes" how much weekly?			
less than \$30.....	67	102	169
\$30-\$40.....	97	454	551
more than \$40.....	1	12	13
	---	---	---
Total.....	165	568	733

40. If "yes" how many weeks?			
1- 5.....	73	152	225
6-10.....	64	112	156
11-15.....	16	223	239
16-20.....	20	76	96
More than 20.....	12	5	17
	---	---	---
Total.....	165	568	733

41. Drew SUB?			
Yes.....	92	607	699
No.....	234	149	383
	---	---	---
Total.....	326	756	1,082

42. If "yes" how much weekly?			
\$ 0-\$27.....	10	33	43
\$28-\$35.....	51	358	409
\$36-\$45.....	29	210	239
More than \$45.....	2	6	8
	---	---	---
Total.....	92	607	699

43. If "yes" for how many weeks?			
1- 5.....	40	140	180
6-10.....	15	133	148
11-15.....	11	257	268
16-20.....	18	72	90
More than 20.....	8	5	13
	---	---	---
Total.....	92	607	699

44. How many years' seniority do you have?			
less than 1.....	120	0	120
1 to 2.....	185	6	191
more than 2 but less than 17....	20	57	77
17 or more.....	1	693	694
	---	---	---
Total.....	326	756	1,082

45. Pay classification at time of layoff (\$ per hour)			
less than 2.34.....	1	2	3
2.34.....	8	0	8
2.39.....	4	0	4
2.44.....	110	203	313
2.49.....	64	161	225
2.54.....	108	297	405
2.59.....	17	59	76
2.64.....	13	31	44
more than 2.64.....	1	3	4
	---	---	---
Total.....	326	756	1,082

46. How many weeks were you laid off?			
1- 5.....	0	1	1
6-10.....	0	61	61
11-15.....	0	63	63
16-20.....	0	272	272
21-25.....	47	1	48
26-30.....	185	9	194
More than 30.....	2	0	2
	---	---	---
Total.....	234	407	641

## APPENDIX B-2

# Laid off and Did Not Return to Ford—220 Men

1. NAME.....

2. ADDRESS.....

	First Layoff	Second Layoff	Total
3. Do you live in Metropolitan Windsor?			
Yes.....	120	44	164
No.....	47	9	56
	---	---	---
Total.....	167	53	220

4. Age			
15-19.....	2	0	2
20-24.....	74	0	74
25-34.....	78	5	83
35-44.....	12	6	18
45-54.....	1	9	10
55-64.....	0	12	12
65-69.....	0	21	21
70 and over.....	0	0	0
	---	---	---
Total.....	167	53	220

5. Marital Status			
Single.....	98	12	110
Married.....	69	41	110
Widowed.....	0	0	0
Divorced.....	0	0	0
Separated.....	0	0	0
	---	---	---
Total.....	167	53	220

Information not available  
for items  
6 to 37, and 46



38. Used Unemployment Compensation?			
Yes.....	43	17	60
No.....	124	36	160
Total.....	167	53	220
39. If "yes" how much weekly?			
less than \$30.....	22	7	29
\$30-\$40.....	21	7	28
more than \$40.....	0	3	3
Total.....	43	17	60
40. If "yes" how many weeks?			
1- 5.....	28	7	35
6-10.....	10	5	15
11-15.....	2	2	4
16-20.....	1	2	3
More than 20.....	2	1	3
Total.....	43	17	60
41. Drew SUB?			
Yes.....	21	31	52
No.....	146	22	168
Total.....	167	53	220
42. If "yes" how much weekly?			
\$ 0-\$27.....	4	9	13
\$28-\$35.....	16	13	29
\$36-\$45.....	0	8	8
More than \$45.....	1	1	2
Total.....	21	31	52

43. If "yes" for how many weeks?			
1- 5.....	14	8	22
6-10.....	4	7	11
11-15.....	2	8	10
16-20.....	1	5	6
More than 20.....	0	3	3
Total.....	21	31	52
44. How many years' seniority do you have?			
less than 1.....	101	0	101
1 to 2.....	63	0	63
more than 2 but less than 17....	3	8	11
17 or more.....	0	45	45
Total.....	167	53	220
45. Pay classification at time of layoff (\$ per hour)			
less than 2.34.....	0	4	4
2.34.....	43	0	43
2.39.....	13	1	14
2.44.....	47	25	72
2.49.....	20	8	28
2.54.....	40	13	53
2.59.....	2	0	2
2.64.....	2	2	4
more than 2.64.....	0	0	0
Total.....	167	53	220

## APPENDIX C

# Unemployment Compensation

UNEMPLOYMENT COMPENSATION (UC) is an insurance program operated by the Federal Government under the Unemployment Insurance Act of 1955, as amended. The plan is contributory (employees and employers contribute equally to the insurance fund and government contributes 20% of cost); the contributions by workers range from a low of 10c per week (for employees making up to \$8.99 per week) to a high of 94c per week for

employees making \$69.00 per week or more. Thus, all Ford employees with whom we are concerned are contributing 94c, since their lowest hourly rate is over \$2 per hour.

Such contributions entitle a worker, if he becomes unemployed, to draw benefits of \$27 per week (if single) and \$36 per week (if married), provided he meets certain length-of-service requirements. A number of employees — particularly in the first

layoff — may have received weekly benefits somewhat lower than the above. The amount of benefit is based on the average rate of a worker's most recent 30 contribution weeks in the last 104 weeks. Thus, those who had just recently joined Ford, and some of those whose contributions were predicated on rates of pay below \$69.00 per week (as may have been earned on another job), would not receive the maximum benefits as outlined above.

## Supplemental Unemployment Benefits

SUPPLEMENTAL UNEMPLOYMENT BENEFITS (SUB) are payments made to laid-off workers in addition to those they receive by way of Unemployment Compensation. While the latter is government operated, the former arise out of contractual agreements between company and union.

In the case of Ford of Canada, the company puts into a Supplemental Unemployment Benefit Fund 5c for each hour worked by hourly-rated personnel. When unemployed, workers draw from this fund, on a weekly basis, enough to pay them (together with Unemployment Com-

pensation) 62% of their straight-time weekly wages for a period not to exceed 52 weeks. In addition, they are paid \$1.50 per week for each dependent, up to a maximum of four. The so-called "regular benefits" from SUB may not exceed \$50 per week (plus the dependency allowance).<sup>1</sup>

Eligibility rules include the requirements that the laid-off worker:

1. Has at least one year of seniority with Ford.

2. Be eligible for UC (with limited exceptions) and registered with NES.

3. Be not laid off for disciplinary reasons.

The fund is administered by an independent trustee. Company liability under the agreement is limited to monies contained in the fund, plus the obligation to continue contributions at the agreed-upon rate for each hour an hourly-rated employee works.

<sup>1</sup> There are other benefits for short work weeks, and there are lump-sum separation payments. We are not concerned with these in this Report.

## APPENDIX E

## Transitional Assistance Benefits

TAB IS THE common abbreviation for Transitional Assistance Benefits, a Federal Government program which provides financial assistance for workers in automotive and automotive parts industries, who are laid off as a result of the Canada-United States Automotive Trade Agreement. Benefits for the workers we are concerned with here, would be not less than 62% of their weekly wage plus \$1.50 per week for each dependent, up to a maximum of four. The following eligibility requirements apply:

(a) a worker must have had no less than 30 weeks employment in the last 52 weeks in the industry, and

(b) must be qualified to receive Unemployment Compensation, and

(c) layoff must have been due to the Automotive Trade Agreement... which was the case with the personnel here considered.

Benefit duration is predicated on length of employment in the industry. Those with 30 weeks of service receive four weeks' benefit, with an extra week of benefit for each week worked over 30. Maximum allowable weeks of benefit is 52 (78 in the case of trainees).

TAB is a *supplement* to UC, not a substitute. Since TAB benefits reduce the contributions automotive companies are

required to make under SUB agreements, the Federal Government "requested" that these companies (among them Ford of Canada) contribute to the TAB fund monies equivalent to the SUB benefits they would have paid, otherwise no TAB benefits would be available to employees of such companies. (The SUB equivalency contribution requirement does not apply to companies who have no SUB plan — their workers are eligible for TAB provided they meet the other requirements of the plan). Ford of Canada, a company which has an SUB plan, chose not to contribute to TAB.



# Last Referral by NES for Employees Not Returning

## First Layoff:

No. of Men	Company Referred To	Type of Work
12	Chrysler	labourer
7	Dominion Forge	"
6	H. J. Heinz	"
5	Walker Metal	"
4	Hiram Walkers	"
2	Kelsey Wheel	"
1	C & D Sugar	"
1	Canadian Rock Salt	"
1	Fleetwood Metal	"
1	Marentette Bros.	"
1	Sartori Construction	"
1	Standard Foundry	"
1	Windsor Steel Fabricators	"
1	Bannon Sheet Metal	sheet metal worker
1	Bendix Eclipse	Clerk
1	Fabio Construction	welder
1	Roy & Herbert	painter
1	Windsor Fish Co.	truck driver
1	Windsor Medical	clerk
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## Second Layoff

No. of Men	Company Referred To	Type of Work
6	Chrysler	labourer
3	H. J. Heinz	"
1	Canadian Bridge	"
1	Green Giant	"
1	Kelsey Wheel	"
1	Marentette Bros.	"
1	Auto Specialty Mfg.	millwright
1	Dominion Forge	casting inspector
1	Western Freight	truck driver
1	Windsor Auto Shippers	"
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